By the Editors of Live and Invest Overseas



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Foreward

Comfortable yet exciting. Convenient, yet still charmingly rough around the edges. For the potential retiree or foreign resident, Panama offers big and unequaled advantages—near-perfect weather, a low cost of living, a foreign-resident-friendly tax system, one of the best banking systems in the world, a stable political situation, a bright economic outlook, and the world's best program of discounts and perks for foreign retirees...better than the famed *pensionado* program that operated in Costa Rica throughout the 1980s.

Still, Panama is not for everyone. Panama City is often compared with Miami, and the similarities are many. You've got to remember, though, that Panama is the developing world. Devout Europhiles I know argue it's the Third World. It depends on your perspective, but, bottom line, life is going to be different here than you're used to.

Maybe more different than you're ready for.

Don't come to Panama if you're bothered by barking dogs in the middle of the night, blaring boom boxes at all hours, or the constant honking of car horns.

Don't move to Panama (especially not to Panama City) if you don't want to own a car or if you're an avid walker. This is not a city for strolling. The infrastructure may be the best in the region, but the sidewalks can be so cracked and broken that you've often got to tip-toe your way down the street.

The only reasonable way to get around is by car. Yet, as the city's population continues to expand, so does the number of vehicles on its streets. Some days it seems like rush hour extends from 6 a.m. to 6 a.m.

One option to owning your own car and braving the traffic is to use taxis. Right now, though, there aren't enough taxis to go around, and, if you do manage to hail one down, you may be surprised by what you get. The situation is improving, but Panama City taxis are often missing door handles, taillights, even reliable braking systems. Don't expect air conditioning.

And Panama taxi drivers aren't always the friendliest people in the city. Braving the traffic on this city's streets day after day makes them a little testy.

These facts of Panama City living notwithstanding, this country offers the most comfortable and convenient lifestyle option in this part of the world. Plus sun, sand, surf, and a tropical climate.

But you'll find the sun, the sand, the surf, and a good climate in lots of Latin American countries. So what's so special about Panama?

Again, it's the comfort level. Panama may be experiencing serious growing pains as it works hard to pull itself beyond developing-world status, but it unquestionably delivers a level of convenience that's nearly impossible to find anywhere else south of the U.S. border.

Specifically, Panama offers:

• Affordable First-World health care

Panama's health-care facilities—built to U.S. standards ever since the U.S. ran the Panama Canal—are the best in Central America. You'll find nearly every health care service you could need, at a fraction of the cost, and with a level of personal service (remember house calls?) you may have forgotten ever existed.

- Generous incentives for investors
- The world's best program of discounts and other benefits for foreign retirees

As a Panama *pensionado*, you save on almost everything, including in-country airfares, hotel stays, restaurant meals, prescription drugs...even closing costs when buying a home.

Real-world infrastructure

Again, this is being put to the test...and failing in places. Still, especially when considered within the context of the region, Panama has great roads, an extensive and ever-expanding highway system, high-speed Internet access, cable TV, reliable electricity, and drinkable water.

Great shopping

Thanks to its position as one of the world's premier trading centers (and its canal), you'll find anything you might want in this country—everything from Benetton and Burberry to the latest electronic gadgets, and any American comfort food you could name.

- One of the world's biggest international banking centers
- Considerable doing-business advantages

Panama qualifies right now as one of the best place in the world to start an international or Internet business (this is one important reason why I'm currently a resident).

A U.S. dollar-based economy (since 1904)

Americans face no currency-exchange risk.

• Favorable tax legislation for foreign residents

Foreign residents pay tax in Panama only on money earned inside this country. When it comes to taxation, this is as good as it gets for the foreign resident or retiree.

- A stable political system
- A fast-growing economy, global financial meltdown notwithstanding, and a bright economic outlook
- Safety and security

Panama is one of the safest places in Central America. There are poor areas and a definite division between the "haves" and the "have-nots," but there is little violent crime. I feel safer walking the streets of Panama City, even alone, than I do the streets of Baltimore, Maryland, where I grew up.

Panamanians are friendly, and they welcome foreigners, both as tourists and as residents. And, after eight decades of American involvement in the running of the Panama Canal, they're well-accustomed to Americans among them.

The family circle is important in Panama, much more so than in the United States, as is religion.

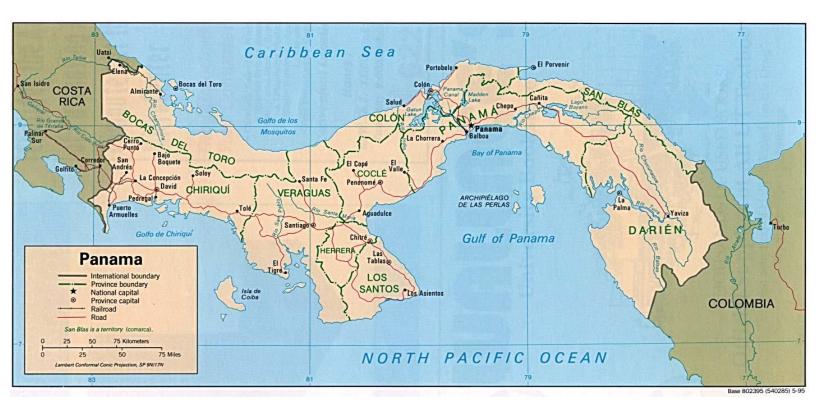
A natural wonderland

The world doesn't know it yet, but Panama is a natural wonderland. Its expansive rainforests are among the richest and most complex on the planet. It's the only country where jaguars and pumas prowl only a short drive from the capital. It's also the only country where you could spend the morning diving in the Caribbean and the afternoon swimming in the Pacific. Panama's vast, road-less jungles are home to more than 940 recorded bird species and 105 endangered species, including the Central American tapir, the American crocodile (my son's favorite), the scarlet macaw, and many species of eagle. Off Panama's shores are some of the best diving, surfing, boating, deep-sea fishing, and snorkeling anywhere.

My husband and I could be anywhere in the world at this point in our lives. Five-and-a-half years ago, we moved from Paris, France, to Panama City, Panama. The advantages for the would-be retiree, expat, entrepreneur, and investor in this country right now are too many and too great to ignore.

Please, come on down when you can to see for yourself.

Kathleen Peddicord Publisher, Live and Invest Overseas



At Home in Panama

By Kathleen Peddicord

As I write, Panama City is bursting at the seams... The city's infrastructure—built by the Americans during the 80 years they were in town operating the Panama Canal, and long recognized as the best in the region—is, to put it kindly, straining.

A three-phase, multi-year project has seen the widening of Avenida Balboa, Panama City's main thoroughfare, the strip that runs along the city's Bay of Panama waterfront. This was an effort to ease the gridlock that had become an everyday part of life in the capital. The ambitious project (which includes a lovely pedestrian-only park area...and which was completed on time!) has remade the face of this city. Unfortunately, it has not resolved the traffic crisis. Driving here remains a bad idea for the impatient and the intolerant.

A few short years it ago, it used to be you couldn't get a hotel room in the capital. But as many as 10,000 new hotel rooms have either come online or are in the final stages of construction. The city is positioned to accommodate the tourists, engineers, architects, visitors, workers, investors, businessmen, and would-be retirees migrating here in ever-greater numbers.

Just beyond the city, crews are busy blasting and digging a bigger canal. The Panama Canal Expansion Project, launched in 2007, is contributing to the surge in the capital city's population and to the sustained prosperity this country is enjoying.

The growing pains are unavoidable. You can't grow this fast without experiencing stress. Panama's economy grew by better than 10% in 2007, 2008, and 2009. In 2010, despite the global financial crisis, it expanded by a further 7.7%. Growth rates popped back over 10% in 2011 and 2012 and are around 7% to 8% for 2013 and 2015.

These stresses and strains, though, are apparent only in the capital. Beyond Panama City—which, it must be said, can be hot, humid, crowded, noisy, frenzied, even exhausting—this is a beautiful country with an abundance of coastline, both Caribbean and Pacific; a mountainous interior of waterfalls and wildflowers; unspoiled, even uninhabited islands fringed by powder-sand beaches; and expanses of forests, jungle, and parkland home to more species of birds and plants than many of the country's neighbors more famous for their eco-tourist offerings.

This is because Panama has built its economy more on business, banking, and commerce than on tourism. But this is changing, as Panama is making a concerted effort to draw attention to her natural offerings, as well as her financial benefits.

These elements, then, comprise the dual personality of this little country that holds such an important geographic position. On the one hand, Panama is the most advanced nation in the

region, the hub of the Americas, and one of the world's biggest trading zones, thanks to geography and the Canal...

Want to place an international telephone call? No problem. Just pick up the phone. Want to send an e-mail? Again, unlike in any other Central American or Caribbean country I know...no reason to expect delays. Want to go online to check your stock portfolio? No worries...there's broadband throughout Panama City and increasingly the rest of the country, as well.

Have a taste for a five-star meal? Want to hear some jazz? See some contemporary art? Dance 'til dawn? In Panama City, you don't have far to go. The similarities to Miami will strike you, not only thanks to the infrastructure and the telecommunications, but also because of the feel of the place. Panama City is lively, happenin', hip, and hot.

On the other hand, Panama, beyond its capital, remains a largely undeveloped tropical paradise with a rich history and a vibrant culture. This is a country of family-owned coffee farms and cattle ranches. It's a friendly, safe place where the living is relaxed and the neighbors are welcoming.

It's also a remarkably affordable place to call home. The cost of living in the capital has risen markedly in recent years. Still, you could live well and comfortably here on as little as US\$2,000 per month. And, outside Panama City, your cost of living could be half that or less.

These are exciting times in Panama. It's been 14 years since the Americans left and handed over control and management of the Panama Canal to the Panamanians. The transformation in this country over the past decade-plus has been remarkable. Panama has shown the world that she knows how to put her assets to good use, and, as a result, she stands today as the world's most appealing overseas retirement and lifestyle haven.

Indeed, it's the place my family and I have chosen to call home ourselves. After more than 10 years living in Europe, we relocated to the Hub of the Americas. Friends and family ask why. For the past decade, we've divided our time between Waterford, Ireland, and Paris, France. Now Panama?

Yes, now Panama. For the lifestyle change and the business advantages. For the lower cost of living and the dollar-based economy. For the adventure of being part of a country during such a turning point in its history. For the chance for our 14-year-old son to learn Spanish and to experience life among the Panamanians, whom we've come to know, during our many years of traveling to and spending time in this country, to be warm, welcoming, fun-loving people.

Good company and good neighbors. We feel fortunate to have this opportunity to settle in among them.

Come now and discover "Why Panama?" for yourself.

WELCOME TO PANAMA

For more than 100 years, the Panama Canal has linked east and west, north and south. As a result, a multitude of nationalities have shaped the country–its cuisine, nightlife, cultures, languages. It has a diverse population.

Everyone is welcome.

The government has put forward benefits for foreigners and investors to come to its shores...and newer and better ones come along all the time.

Investors are welcome—even enticed—here.

A new free trade agreement between the U.S. and Panama has been approved. The Canadians have one now, too.

Goods and wares are welcome.

Panama is a family-oriented society. Family comes first.

Children are welcome.

Panama has long seen visitors to its shores, eager to enjoy the sun and surf of this friendly country. And Panamanians are known for taking them in, inviting even short-time visitors to their homes for a family meal.

Foreigners can buy and own property in Panama with the same rights and protections as Panamanian citizens. There's no downside to putting down roots here.

Homeowners are welcome.

This is a land of unsurpassed outdoor adventures...where you can dive two oceans in a day...glide through the jungle canopy...ride along the whitewaters...hike through a cloud forest...rappel off a rock cliff...fish in waters teeming with marlin, tuna, wahoo, and sailfish, where more sport fishing records have been set than anywhere else in the world.

It's a world of cultural opportunity, with ballets at the restored National Theater...dances to traditional Congo music...historic Spanish forts...and world-class dining in atmospheric colonial buildings.

The savvy and the sophisticated are comfortable here.

In many ways, Panama is more progressive than the United States. The government offers investment laws far more beneficial than anything in the States...there is little racial tension...health care is available for both nationals and foreign visitors...the economy is strong...luxuries and comforts beyond reach in the U.S. are affordable here.

Welcome to Panama. It's a land of opportunity.

The lay of the land

Panama, barely the size of North Carolina, is an isthmus connecting two continents. At its narrowest point, it's only 50 miles long. Strategically located between the Pacific and Atlantic oceans, the country has historically provided a link between the two oceans, beginning with simple paths, then with railroads, and for the last 100 years through its great Panama Canal. It's Central America's southernmost country, and because of a bend in the isthmus, it gives one the impression that the sun rises in the west (over the Pacific Ocean) and sets in the east (on the Atlantic). It's a magical place.

Panama possesses natural and environmental riches found in no other country in the world. Coastal plains border both coasts, rising upward to its interior and highest peak of Volcán Barú, and accented by the mountains and hills of the continental divide. Almost half the country is covered with forest; and about one-quarter of the forested area is protected in preserves. Strange and beautiful creatures like the elusive quetzal, the fierce harpy eagle, the jaguar, the three-toed sloth, the howler monkey, and the crocodile all live within Panama's jungled wilderness.

Cloud forests are home to rufous-winged woodpecker and crimson-tailed tanager, as well as waterfalls and white-water rafting. The province of Darien, with the largest forest in Central America, is a UNESCO Natural World Heritage Site and a World Biosphere Reserve.

In addition to forest, Panama has miles and miles of coastline...but a small population. Breathtaking beachfront is still undeveloped and virtually uninhabited in some parts of Panama. You might not even see another person for miles on some stretches of coastline. You can enjoy white-sand beaches, palm trees, soothing breezes and colorful sunsets all by yourself if you want...or, if you prefer it, some beaches have parties 'til dawn.

Beyond the beaches in Panama's waters swim humpback whales and hammerhead sharks...and sea turtles that find untouched beaches to lay their eggs. More than 1,500 islands lie off Panama's coast and many are uninhabited.

This is a tropical paradise. But that's not to say it's somehow out of touch. Indeed, many of its foreign residents agree that some of Panama's greatest treasures are its cities, its favorable residency and tax laws, and its developed infrastructure.

What does Panama offer foreigners...besides pristine beaches and rainforests?

• The U.S. dollar is the legal tender. This makes the transition to Panama easy. Plus, Americans face no currency-exchange risk.

- Residents do not pay tax on foreign-earned income. If you are planning to live on your pension or funds set up in the States, this is as good as it gets.
- Foreigners can buy and own property in Panama with the same rights and protections as Panamanian citizens. There's no downside to putting down roots here.
- Tourism investments have exemptions from import duties, construction materials and equipment, income, even real estate taxes. Should you decide to take part in the developing market here, you won't be taxed to death. Rather, you'll benefit from Panama's many tax incentives.
- English is widely spoken in Panama City making living and working here much easier—even if you speak Spanish, too.
- Health care facilities and services are U.S. standard, with many U.S.-trained English-speaking doctors available. Whew. This is definitely a top priority for retirees.
- Politically stable. After many years of getting it wrong politically, Panama is finally getting it right. And that's not about to change.
- It is safe. Panama would not be an option for expats and retirees if it wasn't safe. And the government knows this. Panama has a special tourism police force to deter criminals from preying on tourists and foreigners. This country encourages visitors and wants them to keep coming!
- Panama has a reliable and modern communication system. You'll find fiber-optic telephone lines and Internet in much of the country.

I can't think of another place in the world that offers such pristine, untouched wilderness and beauty hand-in-hand with developed infrastructure, welcoming resident laws, and benefit packages...

Country provinces

Panama City and Panama Province

Paris may be a moveable feast, but Panama's capital has been called "the movable city." It has relocated several times over the past 300 years. The first Spanish governor moved the capital from the Caribbean to the Pacific Coast. Although Pirate Henry Morgan burned it to the ground, the ruins of old Panama, or Panama Viejo, still give visitors a sense of the city's roots. The Spanish then moved Panama City to the rocky peninsula at the foot of the Cerro Ancon. Known as Casco Viejo (old compound), the city, surrounded by a massive wall, was easy to defend. Unfortunately, the destruction of Portobelo (see page 33) hurt the Spanish trade route and Casco Viejo declined until the Panama railroad was constructed 100 years later. (Today international recognition has brought investors to the area and they, combined with the government, are turning Casco Viejo around.)

Near Panama Viejo lies General Noriega's house, which he still owns even while in custody. It's been an abandoned ruin since the 1989 U.S. invasion. Other properties held in the name of the ex-dictator or his family, in the provinces of Coclé, Chiriquí and Panama, are in a similar state of abandonment. In 2008, the house Noriega owns in the heart of Panama City, in a high-class residential neighborhood called Altos del Golf, was auctioned by the Ministry of Finance, but no buyers showed interest.

For 90 years, Panama City's growth was restricted to a narrow strip of land between the sea and the U.S.-controlled Canal Zone. Within hours of the transfer of the canal to Panama, however, growth began to spread across the previously sealed border. Modern Panama City is actually a series of suburbs about five miles west of Casco Viejo.

A global outlook and a diverse population has made Panama City's 1,466,381 metro residents a cosmopolitan group. The modern city of skyscrapers is home to businesspeople, artists, families, and entrepreneurs, many of whom work by day and party by night. (They party so hard, in fact, that city lore tells that residents have gotten rid of the mosquitoes that bring malaria by drinking so much alcohol.) In the past years, malaria has been on the rise, but the risk areas are in the remote provinces of Ngöble Buglé, Bocas del Toro, and Darién. Dengue fever threat, though, is real and growing quickly in and around Panama City. The most recent epidemiological report revealed there have been at total of 1,202 cases of dengue fever, of those 1,185 have been classic dengue, eight confirmed cases of dengue hemorrhagic fever, another five with hemorrhagic manifestations, and a total of four deaths.

Panama's progress and prosperity is palpable. Construction looms as far as the eye can see. Panamanians often joke that their national bird is the construction crane. Roads are under repair for improvements. Still, even the city's good infrastructure can't quite hide its Third-World side. Unfortunately, as in most cities, poverty remains in some areas.

Getting around town

The best way to visit Panama City is to hire a driver, which is easily done for about US\$10 an hour. We highly recommend leaving the driving to someone else when you first arrive in Panama City. If you rent a car, you'll have to maneuver through traffic while figuring out where you're going—and it doesn't necessarily save you any money.

Shoppers love Panama City for its numerous free trade zones, but shopping is often extremely touristy. And we've found that you won't necessarily find better deals than you will outside the free zones. Panama City has several shopping malls, ranging from expensive (Multiplaza) to mid-range (Multicentro), and cheap (Albrook and Metromall).

Multiplaza is located in the city center and is one place where you hardly find parking space during weekends, especially if people have received the salary. Here you'll find international brands such as Armani, Cartier, and Hermes but, for smaller budgets, there's also a decent selection of mid-range boutiques.

Multicentro is not the favorite shopping mall of the locals, but there you can find a casino, a food court with 30 restaurants, a nine-screen movie theater, a nightclub, and various national and international brands. There are also low-price department stores (think K-Mart).

Albrook Mall extends on 460,000 square meters and has a dazzling variety of shops, cinemas (eight movie theaters), food courts (with Wendy's, Pizza Hut, KFC, Subway, Dunkin' Donuts, etc.), putt-putt (mini golf) space, playgrounds, and, in some winters, even a skating ring. It is conveniently located near the Albrook Bus Terminal, from where one can take a bus to the interior of the country. Albrook Mall is an affordable, all-family shopping space.

Metro Mall is located just a few minutes away from the Tocumen airport and it's very easy to access going through the Southern Corridor expressway. Metro Mall has four department stores: El Titan, El Machetazo, Steven's, and El Costo. There are a total of 280 merchant spaces in the 23-hectare, tree-level mall.

Some of Panama's most popular products are its hats (which are worn by nearly all men in the interior provinces) and the *molas*, a decorative fabric woven by the Kuna Indians of San

Blas archipelago. Flory Saltzman's shop outside the Hotel El Panama offers a wide variety of *molas* for sale. She has some of the best deals around—even better than those in San Blas. You can find used ones from US\$15 up to splendid ones for a few hundred dollars. If you'd like a Panama hat (called a *sombrero pintado*), buy one at the Centro de Artesanías in Balboa adjacent to Panama City for anywhere between US\$20 to US\$200. Check the label: Many Panama hats—so named for their popularity during the construction of the Panama Canal—are made in Ecuador. The authentic hats are hand woven.

Panama's great wildlife treasures are accessible even in the city. Make time for a visit to the 660-acre Metropolitan Park, where you might see sloths, squirrel monkeys, even a boa constrictor.

Casco Viejo

Casco Viejo is one of the treasures of Panama City, and restoration efforts are in full swing to return it to its former glory. Cobblestoned streets wind beneath iron balconies and classic colonial facades. Spanish music floats out from open windows. The breezes from the Bay of Panama cool the night air. Artists and tourists mingle with neighbors on the sidewalks and in the shaded squares and flower-filled plazas. A drive along the waterfront gives views of the ships awaiting their turn for passage through the Panama Canal and of the Panama City skyline behind you.

The Spaniards moved the capital and their treasured "Golden Altar" to Casco Viejo, on the more defensible peninsula. The area is picturesque with trendy shops and good restaurants and bars. The restaurant Manolo Caracol is said to be one of Panama's greatest. Stop in to see the Altar as well as Plaza Bolivar, Plaza Herrera, the President's Palace of the Herons, the Museum of the Panama Canal, and the recently restored National Theater. The seafood market just around the corner marks the southern end of Avenida Balboa.

(Note: The area around Casco Viejo is rumored to have the worst crime of the city. If you don't have a driver, take a cab here. Don't be afraid of Casco Viejo. It's our favorite part of Panama City. But do keep your wits about you as you walk around, especially in certain neighborhoods. Tourist police, should you find yourself uncomfortable or lost, are everpresent these days, often English-speaking, and always ready to help.)

Panama Canal

The construction of the Panama Canal was one of the great feats of modern man and is considered one of the wonders of the modern world. It actually looks more like a flowing jungle river than the mechanical system of pumping stations and locks that it is.

Completed in 1914, the Panama Canal can take credit for much of Panama's success today. The Panama Canal expansion project, begun on September 3, 2007, is slated to finish in 2016. Once the project is completed, mega-tankers and cruise ships carrying 6,000 people will be able to transit the canal. The ports are expanding in turn.

One of the best ways to see the canal and appreciate such a vast engineering feat is to visit the Parque Nacional Soberania, across the border in Colón province. Hiking trails here include the Sendero Las Cruces, the trail the Spanish used to transport gold, and Pipeline Road, one of the world's premier birding sites. The Chagres River (Rio Chagres) travels through the park and supplies much of the water for the canal. You'll also get a taste of the Panama of old here. Several villages of the indigenous groups Emberá and Wounaan migrated here from Darien province in the 1950s and live as they did hundreds of years ago. The wildlife is incredible— more than 500 species of birds live here. You might see toucans or even the huge turkey vultures affectionately known as the "Panamanian Air Force."

Or further your education at the Miraflores Locks Visitors Center. Here you can see exhibits on the canal's history and enjoy great views of the giant ships passing though the canal. For an up close and personal view of the canal, you can arrange to take the hour-long ride on the Panama Canal Railway Company's train to Colón. A round trip will take all day—or simply take a taxi or hired car back to the city.

The construction of the canal formed Lake Gatun and the Amador Causeway. Lake Gatun is a favorite among fishermen. Surrounded by rainforest, the best way to see it is by boat tour. There are so many peacock bass here that authorities welcome fishing and catching excursions. If you decide to stay here, the Gamboa Rainforest Resort (phone: 507-206-8888) offers deluxe accommodation at the edge of the rainforest.

The Amador Causeway, a two-mile breakwater into the Pacific, was created when the Panama Canal was blasted out. Today it's a popular recreation area, with strollers and cyclists and an unbeatable view of Panama City.

Canal Zone

Panama's second most famous site is its Canal Zone, which has seen recent attention as the birthplace of 2008 presidential candidate John McCain. The Colón Free Trade Zone is the second-largest free-trade zone in the world. It's the main commercial center of the western hemisphere and more than 2,000 companies work within its 1,000 acres. The four major ports that service the zone handle about US\$12 billion in imports and re-exports.

The Canal Zone is also home to impressive wildlife, hiking, and birding, and includes the Summit Botanical Gardens and Zoo, Parque Nacional Soberania, and the lush island of Barro Colorado.

Getting to the Canal Zone is now easier than ever. A new Panama City – Colón highway was built, dropping the drive time between the two cities to about an hour.

Pacific Islands of Isla Taboga, Las Perlas, and Contadora

Across the waters south of Panama City lie the Islas Perlas—islands so beautiful and isolated that they hosted two seasons of the Reality TV Show "Survivor." In spite of the recent spotlight, the Pearl Islands have managed to remain unspoiled, beautiful, and virtually untouched. Everything from sea turtles, whales, and dolphins, to game fish such as marlin, tuna, and sailfish live in these waters. Its jungles are home to parrots, toucans, deer, iguanas, monkeys, agouties, even anteaters.

And don't forget Isla Taboga. The "Island of Flowers" enjoys no traffic (there are no cars here) and is home to the second-oldest church in the Western Hemisphere. Frankly, this isn't our favorite island destination in Panama. It's touristy and even trashy.

More picturesque is Contadora Island, one of the Pearl Islands, 50 miles from Panama City. Here you can find a couple of nice restaurants and hotels. Contadora remains blissfully undeveloped and a real escape.

Note that the sand is not only white in Panama. Among the beautiful beaches of western Panama province are Cermeño, Gorgona, Coronado, and Punta Barco, which boast both black and white sands.

The Kuna's San Blas archipelago

El Porvenir is the gateway to the Archipelago and is situated on its northwest corner. Most visitors fly here and then take a boat to Nalunega, Wichub-Wala, Ukuptupu, or Carti. Carti is probably the most popular and serves as a good base for exploring Isla Aguja, a quiet picturesque island with beautiful beaches. Travelers can also fly into Rio Sidra, east of Carti,

and take a boat on to Nusatupo, Isla Robinson, or outer Cayos Los Grullos and Ordupuquip. The most Westernized parts of the islands are the populated islands of Corazon de Jesus and Nargana. Corbisky Island, about 30 minutes from El Porvenir, is covered with the bamboo Kuna shacks. Tiny Isla Tigre is a good place to relax and enjoy the white sand and palm trees.

The Kuna run San Blas as a *comarca*, or autonomous region. They proudly maintain their language and culture and enjoy full voting rights in the country's legislature. They celebrate their hard-earned freedom on the anniversary of the Kuna Revolution of 1925, a rebellion against the occupying Panamanian police who had ordered them to integrate into Panamanian society. The U.S. military, who had marines stationed in the area, helped the Kuna and the Panamanian government backed down. The Kuna were granted complete social and political autonomy. They still hold a special place in their hearts for Americans.

Although there are almost 400 islands in their region, the Kuna live on just a few of them. Most of the inhabited islands are close to the coast so that the Kuna can access water, firewood, and other natural resources. They carve *cayuco*, or dugout canoes, from the huge trees that grow on the mainland. The nine towns located on the mainland are all within 100 meters from the water. Each island has a Kuna gathering house, a central meeting location for the chief and his men. At least three chiefs live on each island.

The Kuna belief system centers on three things: God, nature, and the cosmos. They believe that the world was created by God and the Great Mother who watch over them. Their traditions embrace nature and they believe that true happiness can only be achieved by living harmoniously with it. Newly imposed regulations on visitors include ways to preserve their precious natural surroundings, along with fines for littering or for removing flora and fauna.

For the moment, the only way to travel in the Kuna region is by airplane or sailboat from Colón. A new route that will link Central and South America was announced by former President Martinelli, who re-opened the possibility of building a highway in the indigenous area of Kuna Yala, San Blas, and not through the Darien jungle, as previously planned. It is estimated that the project will cost over US\$1 billion and will create a Pacific corridor, from Puebla in Mexico until Panama, to become an integrated commercial route for the Central American region, with modern border crossings and secure roads.

The best time to visit is May through November when the temperatures and humidity are low. Bring your phrasebook: Few Kuna speak English outside the tourist areas. Also make sure you have cash before you go. There are no ATMs here and just about every island requires visitors to pay a small visitation fee, about US\$3 to US\$5. You must also pay to photograph here, about US\$1 a picture. You may also want to purchase a *mola*, the traditional woven fabric. If you

decide to stay here, there are several simple accommodations for visitors. (Remember, the Kuna rarely drink alcohol, so don't expect wine at dinner.)

Coclé province

Known for its sugar and salt production, the province of Coclé also offers such other natural treasures as waterfalls, extinct volcanoes, and hot springs. It also boasts more Panamanian presidents' hometowns than in any other province.

El Valle is a beautiful little town at the foot of an extinct volcano and a popular weekend destination among hikers and horseback riders. You can choose from a variety of outdoor activities here, from ziplining through the rainforest canopy and rappelling along a rock wall to white-water rafting or enjoying the hotsprings in Pozos Termales. Visit the waterfalls Chorro de las Mozas and Chorro El Macho nearby. In a corner of the valley is La Piedra Pintada, a huge rock covered with pre-Columbian drawings. El Valle is also home to one of Panama's largest craft markets; here you can buy arts and crafts from just about every indigenous tribe in Panama.

Southwest of El Valle, the undiscovered fishing village of Santa Clara offers all the beauty and beach of its more popular neighbors. If you prefer glitz and ritz, head to Farallon, or Playa Blanca. The resorts here are famous. Also, for an exclusive beach community, visit Buenaventura, located on the Pacific coast, just 80 minutes from Panama City. It boasts a Nicklaus Design championship golf course, along with the luxurious Bristol Hotel and Spa will, making for the perfect beach getaway.

Penonomé, the capital of Coclé, is known for its festivals and Panama hats. Floats for the Carnaval parade actually float down the Rio Zarati. La Pintada, northwest of town, is home to a well-known arts and crafts market and a cigar factory.

Coclé's Parque Nacional Omar Torrijos is best known for its bird watching trails.

Herrera province

The province of Herrera is one of Panama's ranching and farming centers. You'll immediately notice a Spanish influence here (most popular festivals are Spanish-based, including patron saint festivals, the feasts of Corpus Christi, and, of course, the *Carnaval*), but the Ngöbe-Buglé tribe settled here long before the Spanish arrived.

Chitré is the capital of Herrera province and the largest town on the Azuero Peninsula. Its quintessential Spanish red-tiled row homes, 18th-century cathedral, and natural history museum are notable sites. Visit the ceramic center of La Arena and ask a potter if you can try your hand at the pottery wheel.

Parita, six kilometers north, boasts 18th-century colonial houses and a beautiful church. During the patron saint festivals in August you can see cattle-roping demonstrations in town.

Take a lesson in the art of Panama hat making in Ocú, the hat-making capital of the region. Folklore groups come to town in August for the Festival del Manito Ocueno, established to carry on the local traditions of Herrera. The small village of San José is home to the artisan group called Artesanía Ocueña who still make traditional *montunos* and *polleras* (traditional dress), as well as tablecloths and place mats.

Los Santos province

Los Santos, situated in central Azuero Peninsula, is real Panama. While the area's Spanish heritage is evident in its festivals, traditional dress, and Spanish dances, the eclectic spirit of Panama and intense patriotic feeling here is reflected throughout the region. After all, this is where Panama began its quest for independence from Spain in 1821. The Museo de La Nacionalidad in Villa de Los Santos celebrates the days of independence and occupies the house where Panama's Declaration of Independence was signed. It has a reputation for the best festivals in Panama, including the decorative Fiesta de Corpus Christi and La Grita de la Villa, celebrating the historic "cry" for independence. The wooden statue of Christ in Iglesia de San Atanacio is carried through the streets of town on Good Friday. Playa Monagre, a US\$1 bus ride away, is a popular destination for families.

Travel the Carretera Nacional road to Los Santos' capital of Las Tablas, stopping for some local coconut water or a pork sausage along the way for about US\$1. It's the best in the country. Although Las Tablas boasts a local museum and a church, its Carnival attracts the most attention. Competition between Calle Arriba (uptown) and Calle Abajo (downtown) creates an intensity among the revelers that you don't see in other parts of Panama. It is the place to celebrate *Carnaval*.

Pedasi, a small town in the Azuero Peninsula, is known as the "cradle" of Panamanian folklore. This is an ideal place to experience small-town colonial Panama. Women sew the national dress, *polleras*, here. Men work on rustic pottery. The town's wilderness beaches are virtually untouched. In the waters around Pedasí live humpback whales. The Pacific

beaches here offer serious surfing for surfers in the know. Nearby Isla Canas boasts thousands of sea turtles who lay eggs here from late August through November.

A short boat ride off Pedasí's Playa Arenal lies Isla Iguana, an unspoiled wildlife refuge. The water surrounding the island is excellent for tuna fishing and spotting humpback whales and dolphins.

Tiny Macaracas hosts a January folklore festival popular among the province. Its Rio de Valle draws visitors in summer.

The southern coast of Los Santos is covered in mangroves, ideal habitats to breed shrimp, other crustaceans, and mollusks.

Veraguas province

Veraguas province offers the best and worst of Panama. While its Caribbean side still offers beautiful forests, its Pacific side has taken an environmental beating. It's currently the focus of foreign investment and development.

Veraguas' surf—although world-class—is still relatively undiscovered by travelers. Santa Catalina, for example, is a surfer's dream...but is as yet a laid-back fisherman village. Locals will take you out to fish for yellow fin tuna, wahoo, mahi-mahi, and Spanish mackerel.

Santiago, located about 250 kilometers from Panama City, is an easy stopping point for visitors traveling through Veraguas. You can take a bus for US\$1 to Iglesia San Francisco de Veraguas, 25 minutes away. This historic baroque church has a famous altar carved by locals around 1727. The El Chorro del Spiritu Santo waterfall nearby is a good spot for a dip.

Santa Fé is a tiny mountain town famous for its beautiful mountain vistas, waterfalls, clear streams...and orchids. In fact, you'll find some of the largest and smallest varieties of orchids in the world here. The August Orchid Exposition displays the finest in the country. The swimming hole at La Quebrada and El Salto waterfall are both worth a visit. You can find mountain palm hats, or *palmilla*, here for less money (and reputedly with more durability) than those found elsewhere.

On the southwestern side of the Azuero Peninsula lies the 32,577-hectare Parque Nacional Cerro Hoya. Although there's little left of the rainforest that once covered the huge area, a park was created in 1984 to restore the natural life. The one road into the park is rough; it's best to visit by boat from Playa Cambutal, two hours away for about US\$70.

Although difficult and expensive to get to, Parque Nacional Coiba is like few other places left in the world. The prison on Isla Coiba had such a sinister reputation that it kept travelers away for years...and, in turn, the area has remained untouched by human development or even infrastructure. Aside from the prison camps, Isla Coiba is covered with rainforest, streams, and swampy woodlands. Approximately 150 species of birds live here—including the famous and rare brown-and-white spintail exclusive to the area—and around 40 species of mammals. The crocodiles here are huge. Ask before you swim.

Coiba is surrounded by one of the largest coral reefs in the Pacific, and more than 23 species of dolphins and whales have been identified here. Reef sharks, hammerheads, even the occasional whale shark also frequent these waters—which is perhaps why the prisoner camp had so few escapees.

The island has not been used as a penal colony since 2004. Because of its long history as such, tourists steered clear of the island which in turn preserved the natural beauty of the area. The Parque was recently declared a UNESCO World Heritage Site.

Chiriqui province

The Chiricanos are proud of their province. And rightly so: It's home to the tallest mountains and longest rivers of Panama. The highland rainforests are pristine and the province boasts productive ranching and agriculture situations. Bird watchers come to see the elusive quetzal, a symbol of freedom in Panama.

It's easy to see why the Highlands of Chiriquí have enticed retirees and expats for years. The town of Boquete, with its spring-like climate, clean air, clear water, unspoiled nature, and welcoming community, is practically an American colony, with several hundred American retirees living there. Its valley is filled with flowers and gourmet coffee plantations. The town harbors quaint cafés, restaurants, shops, antique stores...and increasing numbers of gated communities.

Still, it's an outdoor enthusiast's dream, with hiking, climbing, and rafting for all levels and experience. The Parque Internacional La Amistad offers top-notch white-water rafting and spectacular hiking. Golfo de Chiriquí has rich marine life, white beaches, and a night life that goes 'til dawn. The national marine park has 25 islands, 19 coral reefs, and an assortment of wildlife. The hiking trails of Isla Boca Brava wind under the homes of monkeys, 300 different kinds of birds, and beside nesting turtles. Near Volcán, the biggest town of the area, is the Area Silvestre Protegida Lagunas de Volcán, the highest lake system in Panama. This and nearby Santa Clara are great places for bird watching.

Volcán Barú, Panama's only volcano, is situated in the Parque Nacional Volcán Barú. The volcano summit is at 3,478 meters and offers views of both the Pacific and Caribbean coastlines. The park is also home to the 8-kilometer Sendero Los Quetzales trail, which runs from Cerro Punta, a little mountain town of Swiss origin, to Boquete. This is probably the best place to spot the rare quetzal.

Panama's largest indigenous population, the Ngöbe-Buglé, live in Chiriquí. Like the Kuna, they live in their own autonomous region. They live primarily on subsistence farming in small villages of *chozas*, or thatched huts. They produce crops of plantains, bananas, corn, and rice and the women raise families and work as artisans. The woven bags called *chacara* and traditional dress known as the *naguas* are for sale throughout the province.

David is Panama's second-largest city and the capital of the province. Although David is much hotter than Boquete, it, too, has seen a wave of foreign capital recently and is expected to grow by leaps and bounds. Its main attraction is the Museo de Historia y de Arte Jose de Obaldia which houses local artifacts in a 19th-century colonial home. The international Feria de San José de David is held annually.

Along the road to Boquete is the tiny town of Dolega which—thanks to the many American retirees who live nearby—has a good bookstore (The Book Mark) with plenty of Englishlanguage options. The Los Pozos de Caldera (natural hot springs in Caldera) and Playa Barqueta's surfing are popular weekend getaways.

The 407,000-hectare Las Nubes, or La Amistad Park offers some of the best hiking in Panama and was declared a UNESCO World Heritage site in 1990. It is a refuge for endangered flora and fauna. Mostly inaccessible to casual travelers, it is home to the indigenous population Naso. Although the Naso have no autonomous region of their own, they are one of the few indigenous groups that retain the traditional monarchy.

Along the border of Costa Rica and Panama stretches the Cordillera de Talamanca range with the highest peaks of Panama—Cerro de la Muerte and Cerro Chirripó, which top out at 3,819 meters. Much of the Caribbean areas of the range are still unexplored, but they are home to such large mammals as the Baird's tapir, the puma, the jaguar, and many rare birds. It's mostly covered by Talamancan forests of huge oak trees and, at high altitudes, enclaves of sub-páramo, a sort of shrub and dwarf bamboo and Costa Rican páramo, tropical alpine grassland. This is the coolest area in Panama, with regular frosts at night and temperatures reaching -5 Celsius.

Bocas del Toro province

Archipelago de Bocas del Toro

The Bocas del Toro archipelago consists of nine heavily forested islands, dozens of uninhabited islets, and the country's oldest marine park. This is the most popular tourist destination of the country...but it maintains its Caribbean atmosphere in spite of its many visitors.

Located on Isla Colón is the province's capital city, Bocas del Toro (or Bocas Town). This important port was the headquarters for United Fruit Company at the turn of the century. Today West Indians, Latinos and expats live together happily here. Over the last few years a number of middle-range hotels and restaurants have been opened in and around Bocas Town to accommodate the increasing number of travelers arriving here. In addition, the town now boasts three different PADI dive shops, many different styles of restaurants, a deep-sea fishing service, numerous sailboat and catamaran cruises, mountain bike and moped rentals, and a lot of fabulous seafood. Bocas is a good base from which to explore the rest of the islands.

Isla Bastimentos is exactly the opposite of Isla Colón...although it, too, is beginning to change as developers take interest in the area. Here you'll see the nesting grounds of sea turtles, mangrove islands, and coral reefs. The Ngöbe-Buglé population lives in Salt Creek on southwestern Bastimentos. The historic West Indian town of Old Bank, which started with the banana industry, retains its Caribbean flavor. The Parque Nacional Marino Isla Bastimentos was the country's first marine park.

Mainland

The Bocas del Toro mainland is a jungle wilderness scattered with villages of indigenous populations. This is where your Chiquita bananas grow. Changuinola, the headquarters of the Chiriqui Land Company, send them to you. Just north are the wetlands of Humedal de San-San Pond Sak, home to sloths, otters, and sea turtles.

La Amistad Park runs from Chiriquí province into Bocas. More than 90 mammal species and 400 bird species live here. The ecological center at Wekso was created by the Naso as an effort to preserve their heritage. Take the trail through the virgin rainforest and you'll get a grasp on the extent of wildlife here. You'll need a guide to take the five-hour hike farther into the Parque Internacional La Amistad.

Colón province

Unfortunately, Colón's reputation as a center of crime and violence is fairly accurate. The provincial town of Colón suffered economic depression in the late 1800s, after the completion of the Panama Canal, and the exit of the U.S. military left workers jobless. Even the Colón Free Zone, established in 1948 (and today the largest free-trade zone in the Americas), is no longer enough to sustain the city. Colón sees few visitors, save those who pass through quickly after their ride by train along the Panama Canal, or who make a brief stop during a cruise.

Outside town, it's a different story. You can snorkel in clear waters and go bird watching. Ten kilometers south of the city, the Gatun Locks, the largest of Panama Canal's three sets of locks, transfer ships from the Pacific into the Atlantic waters. You can watch the locks in action here—it takes about two hours for a complete process. Gatun Lake, which was formed when Rio Chagres was dammed, is full of peacock bass and crocodiles and surrounded by rainforests. Barro Colorado Island, located here for 100 years, is a tropical forest and houses the Smithsonian Tropical Research Institute facility since 1923. (It offers free science lectures in English on Tuesdays at 4 p.m.)

Portobelo, a sleepy fishing village and economically depressed town, is a good base from which to scuba dive these waters. The wreck diving here includes a 100-foot cargo ship. The town is mostly known for its forts. King Felipe II's forts near the mouth of the bay were destroyed, and the Americans took down most of Fuerte San Fernando when they built the canal. Fuerte Santiago, however, made of cut coral, is still impressive. The largest fort, Fuerte San Jeronimo, protected the bay. Every October, pilgrims gather in Portobelo for the Festival de Cristo Negro which honors the black Christ located in the Iglesia de San Felipe. Fifteen kilometers offshore is Isla Grande, popular among snorkelers and divers. The residents here are mostly of African descent and are Congo and reggae aficionados.

Darién province

The reputation of Darién province is mixed. Some would never travel here citing its many dangers. Others are enticed by its rugged wilderness and vast jungles. It's all accurate: Darién does offer everything from Colombian guerrillas to indigenous people to the best sport fishing in the world. It's a place of mystical proportions with miles and miles of jungle, mountains, and swamps. The only places to stay here are in jungle camps which are accessible by canoe or airplane. The province is home to Panama's greatest rainforests.

True, some parts are more dangerous than others. And we do recommend visiting Darién with a guide—indeed, you are required to do so in some parts of the province. But we believe that a visit to Panama isn't complete without a trip into this vast wilderness. This is the only part of Panama with areas that have not changed in thousands of years. This is what Panama was before colonization took over. And this is an opportunity to see nature like never before.

Unfortunately, there are also parts of Darién that have been destroyed. The north of the province is not what it once was. Logging has destroyed much of the primary forest. However, efforts are in place to protect Darién's remaining region.

The Interamericana Highway does not go all the way through Panama to Colombia but instead stops at the town of Yaviza. Although this has aided in the preservation of the wilderness—and the traditions of indigenous populations—it makes the Darién a difficult place to visit. You'll need to arrange transportation and a guide to really explore the wilderness. Ancon Expeditions (phone: 507-269-9415) is the sole operator here. Rivers are often the only way to get around, with the *cayucos* (dugout canoes) providing transport. La Palma, the capital of Darién province, is located at the mouth of the Rio Tuira right at the Golfo de San Miguel. From here you can take a boat or plane deeper inside the province. You must arrive by boat to the Reserva Natural Punta Patino, a good spot to see harpy eagles, three-toed sloths, crocodiles, and howler monkeys. Dolphins and humpback whales frequent the waters. Try to stay at the ANCON private lodge here. It has spectacular view of the Golfo de San Miguel.

Black communities live harmoniously with indigenous groups and mixed race mestizo communities in Darién. Black Darienites fleeing from slave masters that brought them from Africa found shelter in this jungle 500 years ago. This is only one of the many ethnic groups for whom the region has offered refuge.

Visit the villages of the Emberá and the Wounaan, culturally similar but two separate peoples. They are known for their expert use of *boroquera* (blowgun) from which they shoot darts poisoned from the toxin of frogs and bullet ants. They are also famous for their *cayuco*—the Panama Canal Authority commissions the Emberá craftsmen to make the canoes that service the canal. They survive on subsistence farming and fishing, and today they also sell handicrafts. They craft handiwork from the hardwood cocobolo, and the women produce some of the finest baskets in Latin America. They live in huts that stand on stilts three or four meters off the ground.

In between La Palma and Punta Patino is the town of Mogue, a traditional Emberá village that sees visitors interested in learning more about the Emberá people. A boat ride on the

Sambu River south of Punta Patino affords good views of traditional villages and wilderness.

On the eastern slope of Darién lies one of the country's top birding destinations—and one of the most isolated towns of Panama. The historic mining town of Cana offers a wide variety of jungle trails. The vast amount of gold once found here made it popular among pirates but once the Spaniards left Panama, the mines were abandoned. In the early 20th century, an English group found gold again and hoped to strike it rich. The abandoned equipment you can see here indicates their dream was never realized.

Flora and fauna

Panama's tropical environment supports an abundance of plants and animal species not found anywhere else in the world. Forests cover most of the country, and grasslands, scrub, and crops also spread across some regions. Subsistence farming, practiced across the country, consists largely of corn, bean, and tuber plots.

Although nearly 40% of Panama is still wooded, deforestation is a continuing threat to the rain-drenched woodlands. The forests have been reduced by more than 50% since the 1940s. Today the government is making a concerted effort to bring back the natural land of Panama. Almost 25% of the country's terrain has been set aside for parks and reserves.

The 14,000 identified plant species found here include more than 1,200 native orchids, ferns, vines, bromeliads, and mosses. Indigenous populations have relied on the many medicinal plants of Panama to cure everything from infertility to bad dreams. The national flower is the white orchid called Flor del Espiritu Santo, or Flower of the Holy Ghost. The 1,500 tree species so far identified in Panama include the Panama tree, which grows to 120 feet, the giant ceiba tree, revered by the ancient Maya civilizations, and the jobo tree which offers cures for colds. The rare harpy eagles nest in the cuipo branches high above the jungle canopy. This is the world's most powerful bird of prey; it has wingspans of up to seven feet. The rare quetzal that lives here is arguably the most beautiful bird in the region.

The puma, jaguarondi, margay, ocelot, and jaguar are Panama's five cat species. The jaguar is the most famous—and most endangered—of them all. They are sold for their pelts and driven out of their hunting territories by developers. The government is however working toward conserving the species. Also increasingly rare are Panama's gentle vegetarians the Baird's tapirs, which look like small elephants but are related to the rhino. Panama also has 350 bat species, five monkey species—including the loud howler monkeys—five sea turtle species, two crocodile species...and anteaters, deer, and rabbits (just to mention a few).

HISTORY, GOVERNMENT, AND THE ECONOMY

Archeological sites have turned up a long history in Panama, which dates as far back as 11000 BC when Nomadic-Paleo-Indian tribes lived in the area. There's evidence that pottery was in use and slash-and-burn farming was common practice between 3000 and 1000 BC. By 500 AD warrior kingdoms lived here, the first gold objects had been made, and trade had expanded.

Around this time, the Barú Volcano erupted and buried the Barilles culture. Archeological sites on the Volcán Barú have uncovered the Barilles' life-size stone statues of human figures and stone platforms used for grinding corn dating from 4th or 5th century BC. Cerro Juan Diaz on the Azuero Peninsula is also believed to have been inhabited around 300 BC.

Unfortunately, besides these archeological sites, very little remains of these early civilizations. Most of Panama's ancient towns and villages were swallowed up the jungle and never seen again. We do know that even Panama's earliest inhabitants were commerce-oriented and traded with people as far as Peru and Mexico. Most lived beside the oceans and fished extensively. The word "Panama" actually means "abundance of fish."

Studies show that more than 60 indigenous tribes inhabited Panama by the 16th century when the Spaniards arrived. Panama's strategic geographic location was not lost on these first European visitors, and it became an important trade route for Europeans almost immediately. Goods were transported from Peru by foot, mule, canoe, and boat to the Caribbean port of Portobelo along the Sendero Las Cruces and Camino Real routes until the completion of the Panama railroad. Indeed, it was Spain's King Charles V who, in 1524 had the original idea of building a canal to connect the two oceans on either side of Panama. (This would not happen for another 400 years.)

Unfortunately, the concentration of wealth and trade attracted English pirates and mercenaries. The English pirate Sir Francis Drake struck Portobelo in 1596. The Welsh buccaneer Henry Morgan followed suit nearly 100 years later and burned down the original City of Panama in 1671, making off with the city's treasure. Still, the Spanish continued to hold onto their prized piece of land and trade was steady. They did decide to move the capital two miles to the west, however, where they could better defend it. It is called Casco Viejo, and it still stands today.

The British destroyed Portobelo in 1739...travelers then abandoned Panama's trade route, and Panama quickly declined. Soon after, communications with Spain deteriorated and, in

November of 1821, Panama voluntarily joined Gran Colombia, a united Latin American nation that included Colombia, Bolivia, Ecuador, Peru, and Venezuela. Although Gran Colombia was abolished in 1831, Panama remained a province of Colombia.

The union between Panama and Colombia benefited Panama and promoted strong regional development. During this time, Colombia signed a treaty permitting the U.S. to build the first intercontinental railroad across the Panama isthmus. Thousands of gold seekers took the railroad route to get from the U.S. East Coast to the West Coast to avoid Native Americans. Increasingly prosperous and economically independent, Panama decided it wanted to be a free and sovereign nation. With the support of the U.S., Panama became completely independent on November 3, 1903.

The next year, construction began on the Panama Canal. The French were the first to engage in this gigantic project, but climate, tropical diseases, and bad management prevented them from finishing the job. The U.S. took over and completed the construction of the Canal and the development of the Canal Zone. The Canal was recognized as such a great feat that it was pronounced the eighth wonder of the world.

Although the treaty between the U.S. and Panama granted the States many more rights than the Panamanians deemed fair (including the use, occupation, and control of the Canal) causing friction between the two countries for years, there's no doubt that the period of U.S. influence and the completion of the Canal changed Panama forever. Once again the country was a bridge for the world.

In 1977, a new treaty was signed by Panamanian President Torrijos and U.S. President Jimmy Carter that transferred full control of the canal to Panama by December 31, 1999. The Panama Canal Commission operated the canal during the 20-year transition and in 1999 it was replaced by the Panama Canal Authority. Panama, happy to finally be fully in control of its most useful and prosperous feature, put all hard feelings aside and moved forward to work with the U.S. toward free trade agreements.

Unfortunately, the U.S. exit left behind a recession as Panama's economy struggled to overcome the loss of the U.S. military and all its disposable income. And another dark side of history appeared: the years of General Manuel Antonio Noriega's power pushed Panama into despair. The U.S. attacked in December of 1989 to remove Noriega from power. He surrendered in January of 1990.

In 1994, Ernesto Perez Balladares won the election, followed by Mireya Moscoso (Panama's first female president), widow of former President Arnulfo Arias in 1999. In 2004 Martin Torrijos Espino became president. He is credited for reducing the country's deficit, developing plans to expand the Canal, and decreasing poverty and unemployment.

Panama experienced economic prosperity under President Ricardo Martinelli. Martinelli was pro-business and pro-investor. The Martinelli Plan, as we've dubbed it, called for a First World Panama, and Martinelli worked aggressively to progress that agenda.

Juan Carlos Varela became president in May 2014. His policies and focus remain muchy the same as Martinelli's, and he also looks to fight corruption within the government and buerocracy.

Today Panama is one of the region's success stories. It is a prospering country that boasts continued stability and growth, despite global economic problems. This is a young and healthy democracy and a safe and peaceful nation. Plus, Panama's greatest asset, the Panama Canal, is undergoing an expansion, which promises further economic prosperity.

Timeline

- 11000 BC—The population of Panama begins to flourish with help from natural resources.
- 2500 BC—The Monagrillo culture is prominent.
- 100 BC—Panama is part of a trade network of goods including gold, with a trading route that runs from Mesoamerica to the Andes.
- 1501—Rodrigo de Bastidas, a captain accompanying Christopher Columbus on his second voyage to the Americas, discovers the isthmus.
- 1510—Bastidas' first mate, Vasco Nunez de Balboa, establishes the first European settlement on mainland America at Santa Maria la Antigua. In 1513, he traveled from the Atlantic to the Pacific and is the first European to see the "south sea."
- 1517—Pedro Arias de Alvila, appointed by the King of Spain, beheads Balboa and attacks the indigenous people.
- 1519—De Ávila established Panama City, near where it stands today. It becomes the launching point for Spanish exploration and expansion into all Central and South America.
- 1671—Henry Morgan takes over Fuerte San Lorenzo and then burns the city of Panama. A new city is built in present-day Casco Viejo.
- 1821—Panama gains independence from Spain and immediately joins Gran Colombia, a united Latin American nation that includes Colombia, Bolivia, Ecuador, Peru, and Venezuela.

- 1846—Colombia signs a treaty permitting the U.S. to build a railroad across the Panama isthmus.
- 1878—The French receive a contract to build the canal.
- 1889—Financial problems and 22,000 deaths by malaria and yellow fever stop the construction.
- 1902—President Roosevelt persuades Congress to take over the canal project.
- 1903—Colombia fails to ratify a treaty with the U.S. to build a canal across the isthmus. Panama declared its independence from Colombia.
- 1914—The canal is complete. Americans take control of canal and the Canal Zone.
- 1936—A new treaty is signed, restricting U.S. influence to the Canal Zone only.
- 1964—January 9th riots flared tensions between Panama and the U.S. regarding the Canal Zone.
- 1968—The elected president is removed and General Omar Torrijos Herrera takes over.
- 1977—The Torrijos-Carter Treaty is signed. Panama gains gradual control of the canal, phasing out U.S. military bases, and guaranteeing the canal's neutrality.
- 1981—Torrijos dies in a plane crash. A few years later, General Manuel Antonio Noriega, former head of Panama's secret police and a former CIA operative, begins to run the country through puppet presidents.
- 1984—Nicolas Ardito Barletta, Panama's first directly elected president in 16 years, was inaugurated for a five-year term. He is a puppet for Noriega.
- 1989—Noriega proclaims war with the U.S. when his candidate loses the election.
- 1989—On December 20th, 25,000 U.S. troops invade Panama.
- 1990—On January 3rd, Noriega surrenders and is extradited to Miami, where he is convicted on charges of drug trafficking and conspiracy.
- 1990—Guillermo Endara is installed as president, having been elected in the 1989 elections.
- 1994—Ernesto Perez Balladares is sworn in as president. His focus is on infrastructure, health care, and education.

- 1999—Mireya Moscoso becomes Panama's first female president. The U.S. closes its military bases.
- 1999—U.S. formally turns over control of the Panama Canal to the Panamanians.
- 2004—Martin Torrijos, the son of late General Omar Torrijos, becomes president. His policies include plans to implement much-needed reforms. The fiscal deficit is reduced to 1.1% and the economy grows.
- 2006—Torrijos' proposal to expand the Panama Canal is approved in a national referendum. Expansion will add a third lane and a set of locks to the canal and it will enable much larger vessels to pass through the canal. It will likely double the canal's capacity and is expected to be completed in 2016.
- 2009—Ricardo Martinelli is sworn in as president, and donates all but one dollar of his monthly salary to charity.
- 2014—Juan Carlos Varela, Martinelli's vice-presdient turned foe, is elected president.

Government

Panama is a constitutional democracy with democratic elections every five years. The current president is Juan Carlos Varela. The country is a representative democracy with three branches of government:

Executive: Elected by direct, secret vote for five-year terms, and includes a president and a vice president.

Legislative: Elected by direct, secret vote for five-year terms, and consists of a 72-member unicameral Legislative Assembly.

An independent appointed judiciary: Organized under a nine-member Supreme Court, and includes all tribunals and municipal courts.

An autonomous Electoral Tribunal supervises voter registration, the election process, and the activities of political parties.

The country is divided into nine individually governed provinces and three semiautonomous Indian territories, or *comarcas*.

Economy

History of Panama's economy

As you can see from its history, Panama is directly affected by international trade. Commerce has driven the economy even before the 16th-century *conquistadores* first brought treasures across the isthmus. The economy slowed in the 1700s when trade declined. It boomed in the next decade with increased cargo, and travelers heading to California's Gold Rush by way of Panama. The 1855 railroad sustained economic growth until the U.S. transcontinental railroad took over American traffic. France and the U.S. helped stimulate economy with the construction of the Panama Canal.

After the canal was completed, traffic increased by an average of 15% a year until 1930...when the depression reduced traffic. The economy strengthened again during World War II as the presence of U.S. forces increased foreign spending in the canal cities. After the war, however, Panama suffered additional economic depression, and the government initiated support systems like its public works program.

From 1950 to 1970 Panama saw rapid economic expansion. The GDP increased by an average of 6.4% a year. Agricultural output, fishing activities, and fruit and vegetable production increased. Panama grew into a sophisticated world trader, putting its canal to use and boosting the economy. In turn, banking and tourism also grew.

A recession throughout Latin America in 1982 slowed Panama's economy yet again. It suffered further in 2000 when the U.S. withdrew their presence in Panama. The government took action and planned public works programs, tax reforms, and new regional trade agreements in order to stimulate growth.

The economy began to grow with the help of free trade and foreign investments. By July 2007 Panama's Foreign Direct Investment was up 30% and exports were up 20%. The construction industry was also booming.

Today, Panama is in much better shape financially than its Central American neighbors. Its economy, based primarily on a well-developed services sector stemming from the railroad and canal, is the fastest-growing in the region. In addition, Panamanians earn the highest per-capita income in all Central America.

The Panama Canal effect

There is no doubt that the Panama Canal continues to contribute a great deal to Panama's economic recovery and growth. After its expansion, the canal will be big enough for megatankers and giant cruise ships to transit back and forth between the Pacific and the Atlantic Oceans. The expansion, which is expected to cost US\$5.3 billion and double its current capacity, will create at least 7,000 jobs—95% to Panamanians—reducing unemployment considerably.

Banking—developed and accessible

For the last 30 years Panama has developed as the largest international banking center in Latin America. Here local law grants anyone who banks in this country the same rights as Panamanians. Banking accounts for 11% of the country's Gross National Product. More than 80 banks are currently in operation.

In addition, an active stock exchange, Bolsa de Valores de Panama, is the only dollar-based securities market in the region. The exchange is a private corporation listing about 100 companies.

Trading in the zone

The Colón Free Zone is the second-largest free zone in the world and the main commercial distribution center of the Western Hemisphere. It services 2,000 companies and is currently served by four ports. The zone handles almost US\$12 billion in imports and reexports annually and employs about 14,000 people. Major imports are from Japan, China, and the U.S. markets and include Colombia, Ecuador, and other Central and South American countries.

Tourism

Steadily increasing numbers of foreigners looking for inexpensive vacations and quality retirement are moving to Panama. The tourist industry accounts for about 9% of the GDP and has no doubt contributed to Panama's economic boom. Special benefits for foreign retirees attract even more visitors and potential residents to the country.

Free trade agreement with U.S.

The U.S. and Panama signed a Trade Promotion Agreement (TPA) in June 2007. The agreement will promote economic opportunity by eliminating tariffs and other barriers to trade of goods and services and will provide a framework for any trade disputes.

An economic summary

GDP (purchasing power parity) US\$67.459 billion (2014 est.)

GDP per capita US\$17,809(2014 est.)

Real growth rate: 8.4% (2013)

Inflation: 4% (2013)

Unemployment: 4.5% (2013)

Arable land: 7.16%

Agriculture: bananas, rice, corn, coffee, sugarcane, vegetables; livestock; shrimp

Labor force: 1.54 million

Labor force by population: agriculture 3.8%, industry 16.8%, services 79.4%

Industries: construction, brewing, cement and other construction materials, sugar milling

Natural resources: copper, mahogany forests, shrimp, hydropower

Exports: US\$18.91 billion f.o.b.; note - includes the Colón Free Zone

Export - commodities: bananas, shrimp, sugar, coffee, clothing

Imports: US\$24.69 billion f.o.b. (includes the Colón Free Zone)

Import - commodities: capital goods, crude oil, foodstuffs, consumer goods, chemicals

Major trading partners: U.S., Canada, Sweden, Netherlands, Costa Rica, Mexico, Colombia, China

Top Export Partners (2012): U.S. 20.3%, Canada 14.6%, Costa Rica 6.6%, Netherlands 5.9%, Sweden 4.8%, China 4.1%

Top Import Partners: U.S. 23.6%, China 6.4%, Costa Rica 4.6%, Mexico 4.4%

PEOPLE AND CULTURE

Panama's Spanish-influenced culture and personality are tinged with Caribbean and indigenous flavors. There's a little bit of everything here. Panama's population is cultured, literate, globally minded, and sophisticated. There is a 93% literacy rate, and a good portion of the population is bilingual.

Because of its important location in international trade, Panamanian-born citizens represent many of the world's cultures and religions. Panama's population consists of 70% mestizos (Amerindian mixed with white) and mulattos (white mixed with black); 14% black; 10% white; 6% Amerindian (indigenous or natives), and various other ethnic backgrounds. In addition to its own diverse population, you will find every skin color and race in Panama, including blacks descended from freed or escaped slaves, Chinese, Japanese, South Americans, and Hindus. Add to that the Spanish, who came in the quest for gold, and the French who arrived to construct the canal, and, finally, the Americans. All left their mark on the cultural face of Panama. And this extreme diversity makes for a tolerant community and a welcoming place to live.

As in other Latin American countries, family figures prominently in Panama. The warmth and generosity Panamanians extend to their own families reaches out into community life as well. The Panamanians are so neighborly, in fact, that you may find them interfering...but they truly only want to help. If someone has a problem, everyone wants to help. If someone's child is in trouble, everyone has friendly advice. If someone has a plumbing problem, a neighbor can help. Family and community come first.

Panamanians are devout churchgoers. While the younger generation is more relaxed about going to church, religion still permeates every part of life here. You will often see small shrines in the corners of people's houses. Roman Catholics make up 85% of the population; the Catholic faith was introduced in the 16th century by Spaniards. Protestant Christianity was introduced in the 19th-century; about 8% of Panamanians are Protestants today. Other religions include Evangelical Christians, Judaism, Buddhism, Hinduism, Christian Orthodox, and other groups derived from Protestant Christianity, such as Jehova's Witnesses and Seventh-day Adventists. Panama City is home to many churches, three synagogues, two mosques, and Hindu, Sikh, Buddhist, and Baha'I temples.

Even though the church figures prominently, the older generations still believe in centuries-old superstitions. Many believe putting a shirt on inside out will keep bad magic away, for example, and that a black cat that crosses your path will bring bad luck.

Outside Panama City

Panama City and its urban outposts, including the Canal Zone, are cosmopolitan and offer all the amenities of big-city life. You'll see evidence of European and North American influences here, as well as a variety of culture and entertainment options. Generations of foreign settlers have brought new food, styles, traditions, even dress to the city.

Outside Panama's cities you'll see more of the rich culture of its indigenous groups and Hispanic tradition. Each province of Panama offers dances, food, and music specific to its region and people. In the Catholic provinces of Herrera and Los Santos, for example, you'll find quintessential Spanish church squares. In the province of Colón, you might observe such African traditions as congo dances, while in Bocas del Toro you'll see a European May Pole ceremony.

The indigenous groups from western Panama...

Today indigenous groups make up about 6% of Panama's population, and the country's seven indigenous groups are scattered in semi-autonomous territories. In the western provinces of Chiriquí, Veraguas, and Bocas del Toro lives the indigenous group made up of the Ngöbe and Buglé people; they represent 63% of the indigenous population. They are generally grouped as one: the Ngöbe-Buglé. Many still work their centuries-old tradition of subsistence farming and in coffee or sugar plantations. The women of the tribe wear colorful gowns called *naguas*; men wear western clothing. Typical handicrafts from the region are *chacaras*, woven bags made from Cabuya or Pita plants, and *chaquiras*, beaded collars dating from 1700s and once used by warriors.

Also in western Panama you'll find the Naso-Teribe, a tribal kingdom of about 2,000 who live mostly in Bocas del Toro on the banks of the Naso Teribe river. This minority group has a king and is known for its handicrafts, including woven baskets, hammocks, and dugout canoes.

The Bokota live deep in the jungle of Bocas del Toro and Veraguas. They number about 3,500 and are known for their vegetable-fiber hats and woven packs. Women wear the same colorful gowns as the Ngöbe-Buglé, and handicrafts include woven hats made from vegetable fiber.

The Bri-Bri people live in the western part of the country along the Costa Rican border. They live primarily on plantain, coco, and bananas. They speak their own Bri-Bri language.

...to eastern Panama

In the eastern region of Panama live the Emberá, the Wounaan, and the Kuna.

The Kuna are the most well-known of any indigenous group of Panama. Their rich culture is widely known and studied. Staunch preservationists, the Kunas established the first reservation in Panama as well as a 230-square-mile forest reserve on their land. They encourage strict eco-tourism for visitors. Most live on the islands of San Blas and they speak Kuna and Spanish. Their intricately woven *molas* document Kuna customs and events.

The Emberá are the third-largest indigenous community in the country. Most live in the province of Darién. Because the jungles here are so unwelcoming to visitors, the Emberá lead more private lives than the Kuna. The small Emberá community that did migrate to the Chagres river banks in 1975, however, offers opportunities for visitors to learn about traditions and culture. The Wounaan are known for such traditions as hunting and fishing as well as their elevated huts. Typical handicrafts of both communities are hand-woven baskets made from natural palm fibers and the carvings from the cocobolo trees.

Like their ancestors, most Emberá and Wounaan have lived in the tropical forests for centuries. They demonstrate a great respect for nature, and their wood carving and weaving skills are exquisite.

Central Panama

Thousands of African slaves were brought to Panama to join the indigenous Indians who had been made slaves for the Europeans living in Panama. Many of these Africans escaped to the jungles and developed communities in Darien, far away from their slave-owners. They were called Cimarones, which was Spanish for wild men, and they joined forces with pirates against the hated Spaniards. Today they are called Darienites and some still live in the province. Traditional dances like the Bullerengue, a Colombian dance performed by flute and drum ensembles, and the Bunde are still popular.

In the 20th century, English-speaking blacks from the Antilles arrived to work in the construction of the Panama Canal.

Today's black population still celebrates their specific traditions through music, dance, and cuisine. Regional and traditional foods such as *arroz con pollo* (rice chicken) and *sancocho de gallina* (chicken soup) reflect the culture here.

From Ash Wednesday to flowers and coffee fiestas—a land of religion and festivals

Panama is a country of festivals, with each province, culture, people, patron saint, and event celebrated with *gusto* at one time or another—or several times—each year. All illustrate the national, cultural, and regional pride of Panamanians. They differ greatly from region to region, from the Spanish-influenced processions in the west to the African Congo dances in Colón. The provinces of Herrera and Los Santos celebrate the most festivals.

One festival which crosses all cultures, however, is *Carnaval*, an annual highlight celebrated by every Panamanian during the four days leading up to Ash Wednesday. Celebrations here are said to be second only to those in Brazil. Offices shut down and the streets are filled with music, parades, dancing, and drinking. The greatest of the Carnival celebrations takes place in Las Tablas.

Official holidays

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New Year's Day—January 1
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Martyr's Day—January 9

Carnival, Ash Wednesday, Good Friday—February/March

Labor Day—May 1

All Souls' Day—November 2

Anniversary of Separation from Colombia Independence Day (1903) — November 3

Flag Day—November 4

Colón Day—November 5

Anniversary of the First Call for Independence from Spain—November 10

Anniversary of Independence from Spain—November 28

Mother's Day—December 8

Christmas Day—December 25

New Year's Eve—December 31

Panama's major festivals

January: Feria de las Flores y el Café, Boquete—international flower and coffee fair

January/February/March: Fiesta de los congos, Portobelo—celebrates the mix of African and Catholic heritage

Feria de Azuero: late April or early May—celebrated in La Villa de los Santos

July: Festival de la Pollera and Fiesta de Santa Librada—celebrated in Las Tablas

July 16: Nuestra Señora del Carmen—celebrated in Isla Taboga

August 15: Foundation of Panama City

September: Feria del Mar—international music festival, celebrated in Bocas del Toro

September 24: Mejorana Festival—celebrates the Lady of Mercedes, in Guarare, Los Santos

October 10 to 12: Festival de Nogagope and the Kuna Feria—celebrated on Isla Tigre

October 21: Pilgrimage of the Black Christ—celebrating the worship of Portobelo's Black Christ, in Portobelo

Culture in art and music

Panama's art reflects the diverse ethnic groups living in Panama. Traditional handicrafts include wood carvings, weavings and textiles, masks, and ceramics. Handicrafts are often region-specific. *Molas*, for example, symbolize the identity of the Kuna people. Ocú and Penonomé produce the best Panama hats. The Los Santos province is home to *polleras*, the traditional dress of Spanish origin. The masks of the Azuero Peninsula are also well-known.

Similarly, the music of Panama is varied. You'll hear everything from salsa, merengue, and folk (known as *típica*) to jazz, rock, and reggae. Live salsa is especially popular; the country's most famous salsa singer, Ruben Blades was the country's previous Minister of Tourism. Jazz composer Danilo Perez is also popular in both Panama and in the U.S. Dorindo Cardenas is famous for his folkloric *tipico*.

The Instituto Nacional de Cultura manages the many dance and theater companies in the country.

The largest Panamanian art exposition, the Bienal de Arte, is held bi-annually at the Museo de Arte Contemporaneo in Panama City. Roberto Lewis, the first Panamanian artist recognized internationally, was director of Panama's first art academy.

Panama boasts several famous novelists, including Joaquin Beleno who wrote about the political and social events surrounding the Panama Canal, and poet and novelist Guillermo Sanchez Borbon (pen-name Tristan Solarte).

Sports and recreation

Because of its unique geographical location, Panama boasts a year-round tropical climate, endless stretches of coastline, coral reefs, rivers, mountains, and rainforests just waiting to be explored. This is an adventure traveler's heaven. And there's plenty to choose from. From the Spanish history to the Indian traditions, from the Pacific Ocean to the Caribbean Sea, from the mountains to the beaches and from mainland to the islands...where do you start?

Water sports—both under and over the waves

Panama embraces two oceans which provide loads of opportunity for recreational sports. The Pacific provides perfect waves for surfers, for example, as do the beaches just outside of Panama City. Point breaks in Bocas del Toro and reef breaks along the Azuero Peninsula are favorites, and Playa Venao in Los Santos and Playa Grande in Colón province are legendary surf spots. The constant winds prevalent from December to April also offer good windsurfing.

Scuba diving is another popular sport in the waters of Panama. The coral reefs and mangroves of the Caribbean Sea, the Pacific Ocean—even the Panama Canal—have good scuba sites. You'll even get a glimpse of 100-year-old ghost towns below the surface of the Panama Canal. Manta rays, sharks, marlin and sailfish are within close enough range for divers to observe.

The deep-sea fishing in Panama's oceans is also world-class. The Darién, Las Perlas Archipelago, and the Azuero Peninsula hold world records for catch and release of black and blue marlin and sailfish. You can also find an abundance of tuna, mahi-mahi, jacks and sea bass.

Waters within Panama offer much for sports enthusiasts as well. Rivers flowing from Barú Volcano in the western Chiriquí Highlands, the highest point of Panama, is a favorite for river rafters looking for extreme white-water rafting. Fresh-water fishing in Panama Canal's Gatun Lake includes peacock bass, tarpon, and snook.

Trekking to volcanoes and into jungles

More than 25% of Panama is protected by national parks and nature reserves that are home to almost 1,000 species of birds, 220 species of mammals, 240 species of reptiles, and more than 10,000 species of vascular plants. This is a wilderness paradise. You can find some of the world's rarest birds and mammals within Panama's forests, and you'll spot many of these animals along the county's many hiking trails.

Panama's sophisticated network of trails range from day-long hikes along Las Cruces Trail, Pipeline Road in Soberania National Park, La Cruz Trail in Campana National Park, or Los Quetzales Trail in Barú National Park, to more demanding treks that reach the peak of Baru volcano and other mountain tops.

The Barú volcano hike, for example, takes you around Panama's highest point and through La Amistad World Biosphere Reserve, which protects biologically rich and diverse highland ecosystems. The cloud forests of the Chiriqui Highlands, formed when the moisture-filled warm air from the ocean meets the mountain range in a mass of clouds, are home to the elusive resplendent quetzal and the three-wattle bellbird among others. These cool habitats provide 100% humidity for entire ecosystems, and the lush forests teem with orchids, bromeliads, and tropical flora.

Longer trips take you from ocean to ocean along the historic Las Cruces Trail in Chagres, through Portobelo National Parks, and into the depths of the Darien National Park. A World Heritage Site, Darien protects more than 1.2 million acres of pristine habitats. It contains everything from sandy beaches and rocky coasts to mangroves and swamps to lowland and highland tropical forests. The Darien is home to the harpy eagle, jaguars, tapirs, and packs of wild white-lipped peccaries.

Even Panama City offers a unique outdoor experience. Its Metropolitan Nature Park offers nature trails that are home to toucans, coatis, morpho butterflies, and endemic rufousnaped tamarins. Within the Panama Canal watershed is the Soberania National Park where howler monkeys, parrots, three-toed sloths, and blue cotingas live. Pipeline Road is one of several famous trails in the park that has received recognition for its birdwatching records:

As many as 400 species of birds have been observed in one day, and you are certain to see thrush-tanagers and lance-tailed manikins.

Near the Pacific coast in the province of Veraguas sits the island of Coiba, the largest island in the Pacific. Coiba and its 38 surrounding islands form the Coiba National Park which is inscribed in UNESCO's World Heritage list. Coiba protects marine and island ecosystems and is home to about 1,450 species of vascular plants and several endangered species—including the harpy eagle, Panama's national symbol.

A note on birds

Even if you aren't a keen bird watcher, don't miss an opportunity to bird watch while in Panama. It's truly one of the very best places to see birds in the world. There are many talented guides who can point out some of the more than 900 species of birds that live here...even if you don't make it out of Panama City. Western Panama is home to the resplendent quetzals as well as two endemic hummingbirds. You might also spot the quetzal in the central highlands, as well as the three-wattled bellbirds. The *Montezuma oropendola* lives in Bocas del Toro, and the province of Darien is home to the famous harpy, feared by all the jungle creatures. The Peregrine Fund also has a breeding center for the harpy at the Neotropical Raptor Center near Panama City.

A sporty population

Many Panamanians enjoy jogging, cycling, or even rollerblading. Panama City hosts a marathon along the Pacific Ocean that challenges runners from around the world. The Panama Canal is the route for an annual ocean-to-ocean dugout canoe paddling race, in a three-day event like none other. The historic town of Portobelo holds a triathalon that includes swimming in the Caribbean, pedaling through jungles, and running through and around forts.

Soccer, or "fútbol," is a great love in Panama. You can almost always find a game of soccer. Panamanians are also interested in North American sports like basketball and baseball, although Panama has not had a professional baseball team since the 1970s. Several professional athletes, including Rod Carew and Carlos Lee, from Panama have become famous U.S. players. Mariano Rivera, who set major league pitching records with the New York Yankees, is a national hero. Boxing is also a popular sport, and Panama has produced 23 world-champion boxers. Roberto Duran is a Panamanian boxing legend.

Irving Saladino is the current Olympic champion for long jump and Panama's first Olympic gold medalist. On 21 August 2008, after winning Olympic gold, he arrived to Panama as a national hero. Government offices and public schools were closed in honor of him so that public servants were able to attend a parade through Panama City.

A social population: look good and act right

While Panamanians are hard workers during the work week, the weekend is a time to relax with friends and family. Weekends are spent partying, dancing, shopping, or enjoying the beach or mountain escapes. Wherever they are, Panamanians dress very well and will go to work in suits even on the hottest days. Even the poorest families are well-kempt. Foreigners are often glaringly obvious by their poor attire. When in doubt, dress up.

Families and friends also look out for each other. Favors are generously exchanged and never forgotten. A good friend in Panama is a friend for life—and you can count on them for just about anything. They expect the same of you.

Customs and etiquette

After eight decades of American involvement in the running of the Panama Canal, Panamanians are well-accustomed to Americans among them. Because of this—and because of the many cultures represented in the country, locals are more open to customs and etiquette than other countries. You'll probably feel more comfortable in Panama than in almost any other Latin America country.

That's not to say you shouldn't mind your p's and q's. This is a formal, dignified people and it is wise to follow local customs. Generally, people are friendly, even to strangers, and they greet (*buenas*) on crowded buses or in stores.

Following are a few guidelines and tips for behavior:

• Shake hands upon meeting and leaving. Women may do the same or offer a cheek (a more traditional greeting). Men in urban areas often shake hands, patting the other on the shoulder at the same time. The most common verbal greetings include ¿Cómo está? ("How are you?"), ¡Buenos días! ("Good day!"), ¿Qué tal? ("What's up?"), ¿ Qué hay de bueno? ("What's good?"), ¿Cómo le ha ido? ("How's it been?"), ¿Cómo le va? ("How's it going?"), and ¡Hola! ("Hi!"). It's polite to ask about the family after you greet one another.

Common terms for saying good-bye include *¡Hasta luego!* ("See you later"), *¡Que le vaya bien!* ("May things go well for you!"), and in the cities, *¡Chao!* ("Good-bye"). You won't hear *adiós* very often. It's a more permanent "good-bye."

- Don't forget that personal space is judged differently here, and people may stand closer than you find comfortable. Resist the urge to back away. If you need help or directions, it's perfectly acceptable to strike up a conversation with a stranger. (They may speak to you first!)
- Refrain from using first names until invited to do so. If you don't know someone's professional title, use Mr, Mrs, or Miss (*señor*, *señora*, or *señorita*)...but only use *señorita* if you are absolutely sure she is single.
- Be punctual. The influence of foreigners in Panama has changed the *mañana* attitude of other Latin American countries.
- Hands in your pockets is impolite, as is hands on hips.
- Greet with "buenas," used at all times of day and for all greetings.

There's a good chance you'll be invited to someone's home for dinner. The Panamanian people are not only very social, but they value relationships between family members, friends, and partners. They are friendly and welcome new friends and foreigners—both tourists and residents. Meals provide an opportunity to be together, celebrate the family unity, and relish in the community. Try to accept any invitation—refusals are unusual and may be met with some confusion.

If you are the guest:

Arrive on time. Panamanians may not be surprised when locals keep in the *mañana* attitude, but they expect foreigners to be punctual.

Individual plates and bowls of food are brought to the table. If you want a second helping, additional food is placed on the table.

Hands are kept above the table. Keep conversation light.

Your host will not tell you when the visit will end because that implies that his time is more valuable than yours.

Allow yourself to be pampered. Offers to help set the table or clean up after the meal appear critical of your host's hospitality. Expect to be served first, to get the best of everything, and even to be given a gift for coming.

Live and Invest in Panama

Bring a small gift for your host. Thoughtful, personal gifts are valued more than expensive ones.

Don't forget that you are expected to invite your host to a dinner in return.

Use your Spanish. Your host will appreciate the effort.

If you are the host:

Make sure your guests are served first. Food for seconds (such as a tureen of soup) is placed on the table. Keep your hands above the table. Conversation while eating is kept light. Stick to sports, favorite foods, or the weather. Don't forget the gifts for your guests.

Always remember to look good and dress appropriately. Stick to lightweight natural fabrics to beat the heat, but wear a coat and tie or lightweight dress.

Note: It is illegal for men to walk in the streets without a shirt on. Churches and public offices require visitors to dress modestly. Keep shorts and miniskirts to the beaches.

Attitudes to foreigners

Relations between Americans and Panamanians were strained while the U.S. controlled the canal. Most Americans who worked for the Canal lived within the Canal Zone—which provided everything from schools to health services and shopping malls—and never had to integrate into Panamanian society. This, in addition to America's repeated interventions, caused resentment among the Panamanians.

Today, since the canal is finally under Panama's sovereignty, and Panama is prospering economically, foreign arrivals are welcome. You'll actually find a pro-American sentiment among locals. In turn, Americans and other foreigners are taking more of an interest in the Panamanians themselves. Relations have become healthier, friendlier, and more balanced.

Quality of life

The growing and prosperous, middle and upper class in Panama live around Panama City or in the Highlands and enjoy large homes or apartments, cars, perhaps a second home, and a maid or two.

That said, almost a third of Panama's country lives in poverty on less than US\$1 a day. This is apparent throughout the country, but a number of people live in terrible conditions in the heart of Panama City. You'll see a major class divide as you walk along the streets of Panama City. Extremely affluent people walk alongside the homeless. Colón, for example, is in a state of depression, while the Colón Free Zone is one of Panama's most lucrative assets.

Life is also difficult in the villages of indigenous peoples, where people live as they have for hundreds of years. These communities typically live by subsistence farming, hunting, and fishing, but they often lack clean water. Life is also difficult for farmers in the interior of the country who can earn as little as US\$100 a year—below the national average of US\$7,400. However, some farmers are extremely affluent, owning a number of brand new cars and expansive houses.

Food

The food in Panama reflects its varied population and the many ethnicities they represent. Typical Panamanian cuisine has a hint of Spanish, Caribbean, African, and Asian influence, with a touch from its indigenous tribes as well.

Although you'll find every international food imaginable here, Panamanians usually prefer traditional meals using the local crops and produce. You'll typically find a pan of rice and beans on hand in every household, with meat added to it every day. Sometimes it'll even be for breakfast. Stews and beans are exceptionally good and have rich flavors.

Food is less spicy than that of other Latin American countries. Fresh fish, tropical fruit, and fresh vegetables are standard fare and can be purchased in local markets. Rice is a staple in Panamanian cooking and is served with every meal. Soup may be made with rice and vegetables (*guacho*), chicken (*sanchoco*), or rice and fish (*sopa de pescado*). *Sopa de sancocho* is Panama's national dish and it's a traditional Sunday dish in many central provinces.

Breakfast may consist of eggs and a fried food like sausage or *tortilla*. Panamanian doughnuts (*hojaldras*) are deep-fried dough usually eaten with cheese. *Tortillas* are thick, deep-fried, and served with eggs, cheese, or sausages.

Lunch and dinner offer up the same fare. Rice, meat, and beans are common lunch items. Other common foods include *pollo* (chicken), *patacones* (fried plantain slices), *carimañola* (a roll made of yucca and stuffed with meat), and the Panamanian *tamale*, which is covered in banana leaf and boiled. *Arroz con guandú* (rice and pigeon peas) is served everywhere. Corn in many forms is also a standard side dish.

Not surprisingly, the seafood of Panama is very good. *Corvina* (a white fish from the Pacific, similar to sea bass) and *camarones* (shrimp) are both popular, as are crab, lobster, and clams. You can't go wrong with ordering *ceviche* (raw fish in lemon juice and cilantro)— which is even good streetside in Panama. Snapper and tuna are also good choices.

The refreshing drink *chicha*, made from fresh fruit, water, sugar, and ice is very popular. *Batidos*, a kind of milkshake made with milk and fruit, are delicious. *Chicheme*, a drink made of corn, milk, and sugar, is also popular. *Guaro* is the term for hard liquor. *Seco* is one such *guaro*, similar to vodka or gin. And, of course, Panamanians are serious coffee drinkers—and grow some of the best coffee imagineable.

The best part? You can find good food for less than US\$5 even in Panama City. Street food is good and very inexpensive. Barbecued meat on a stick (*carne en palito*), meat-stuffed pastries (*carimañolas* and *empanadas*), and *raspados* (ice cones) are delicious. Dinner out at a good restaurant—including wine—will cost you about US\$25.

Sancocho recipe

Ingredients:

- 1 boiling chicken, cut into pieces (you can also just use 3-4 whole chicken breasts)
- 4 cups chicken stock
- 3 lbs ñame root, peeled and chopped into bite-sized pieces (also called cassava)
- 1 large onion, chopped into bite-sized pieces
- 1 tablespoon cilantro, minced
- 1 teaspoon dried oregano
- 3 garlic cloves, minced
- 2 teaspoons olive oil
- salt and pepper

Live and Invest in Panama

Directions:

- Rinse the chicken and pat dry.
- In a small bowl, mix the salt, pepper, cilantro, oregano, garlic, and olive oil. Rub the mix all over the chicken and let it marinate for 10 minutes.
- In the meantime, peel and chop the yucca and the onion. Set aside.
- Heat water in a large pot over medium heat. Place the chicken in the pot, place a lid
 on it, and let it sweat for about seven minutes.
- Add the onion and the chicken stock. Bring the soup to a boil and then let it simmer over medium low heat until the chicken is cooked through and soft.
- Raise the heat to medium and add the yucca. Bring the pot to a gentle simmer and cook until the yucca is cooked through (approximately 10 minutes).
- Serve with white rice on the side that is added into the soup when you are about to eat it.

NOTE: This soup keeps well frozen and only gets more flavourful with time.

Source: <u>www.food.com</u>

PLANNING YOUR FACT-FINDING TRIP

You can be in Panama in just a few hours from New York, Miami, Atlanta, Chicago, Los Angeles, Dallas, or Houston. That means Panama is an easy place to visit and try on for size.

Panama is about the size of an average-sized U.S. state—like North Carolina. It's modern, with good roads, solid services, and world-class banking. Its infrastructure is good—thanks to the many years of U.S. influence here—so roads are easy to travel. You can also easily fly across and within the country.

The country is small enough—and infrastructure is solid enough—for you to get a sense of Panama in a matter of days. A scouting trip should include some time in the highlands (Boquete, for example) and a day or two exploring the Pacific beaches, many of which are within a couple of hours' driving distance of the capital.

If you prefer the Caribbean to the Pacific, add a few more days to fit in a trip to Bocas del Toro. To access the jungles of Darien and remote highlands, you'll need to plan even more time.

Preparing to leave

If you really want to explore Panama, you'll have to plan ahead. A visit to the Kuna's San Blas Archipelago, for example, requires advance reservations. It is such a popular destination that the number of travelers exceeds the number of flight seats there. Isla Barro Colorado is also popular enough to warrant making advance bookings. Coiba and Darien are remote and require advance preparation. Contact Ancon Expeditions (phone: 507-269-9415) for more information. This group arranges the majority of tours in Panama.

What to bring

Pack light. The climate is terrific in Panama—pretty much perfect year-round—so you don't need to overdo sweaters or rain coats. Panama is located just south of the hurricane belt, so it does not see the terrible rainstorms of its northern neighbors. The most rain falls in the lowlands and in the Caribbean. Here you can expect a short, refreshing shower or two almost daily in winter or the "rainy season." *Bajareques* are the light, mist-like rains that fall in the highlands. Lowlands can get very humid in the rainy season.

Temperatures range from 24°C to 34°C (70°F to 90°F) in the lowlands and from 10°C to 18°C (50°F to 64°F) in the mountains. Bring a sweater for visits to the highlands. Wear light clothes that breathe easily in the lowlands.

Also consider your interests: Panama offers world-class fishing, kayaking, and scuba diving, for starters. If you decide to take advantage of some adventure activities while here, you may decide you need additional weather gear.

You don't need to worry about bringing electrical plugs, Panama uses the same two-pronged plugs as those in the U.S. Electricity is mainly 110v.

Currency

It's easy for U.S. travelers to get around in Panama. After the 1904 treaty between Panama and the U.S., the U.S. dollar (or balboa in Panama) became the official currency of Panama. The Panama National Bank (Banco Nacional de Panama), which is the closest to a central bank here, does not issue paper currency but does manage the supply of dollars through an agreement with the Federal Reserve Bank of New York. Panama mints coins that are the same size and shape as U.S. ones; both are used here.

Time zone

Panama does not change its clocks for daylight savings time. Its clocks are five hours behind Greenwich Mean Time (GMT), one hour ahead of Central American countries, and on the same time as Eastern Standard Time when the U.S. has not adjusted for daylight savings. During U.S. daylight savings time, Panama equals Central Standard Time.

When to go

Most travelers choose to visit Panama during its Pacific dry season which runs from about mid-December to April. If you are interested in visiting Panama's Caribbean side, visit in February and March or September and October for the least amount of rain.

Again, consider your interests. If you are coming to hike, plan your trip during the dry season. If you are a surfer, the Pacific waves are good year round. (Those in the Caribbean are less reliable.) Rafting in the Chiriqui is best when the rivers are high, from May to December. The best visibility for scuba divers occurs during dry season.

If you love a good festival, you are in the right country. From Boquete's famous January Feria de las Flores y del Café to the Carnival in Las Tablas and the Kuna Feria in October,

there's a festival every month of the year in Panama. Each one is celebrated with *gusto*. (For more on festivals, see page 44)

Arriving in Panama

Visas and passports

When you enter Panama you are no longer required to buy a tourist visa. You are authorized to stay in-country for 180 days. If you plan to stay in Panama longer than 180 days, you must leave the country for at least 72 hours and obtain a new tourist visa when you re-enter Panama.

Transportation

By bus: Getting around Panama by bus is relatively simple and inexpensive, but it can be uncomfortable and crowded. Buses travel just about everywhere, and destinations are usually written above the windshields. Express buses cost more, but they really are much nicer. Some even have toilets on board.

By car: The Interamericana is the highway that runs west from Panama City all the way to Costa Rica. Recently widened, it is pretty well-maintained for the most part. Most secondary roads are in fairly good condition. Be careful during the rainy season, when some can become extremely muddy. You'll find plenty of car rental services in the major cities.

Note: Wear your seatbelt. It's the law. And it's against the law to talk on your cell phone and drive.

By air: Panama's in-country flights are inexpensive and fast. There are more than 100 landing strips in the country and the time it takes to fly from Panama City to the country's outermost point is an hour. Flying is often the only way to visit some of the country's outer regions. Aeroperlas and Air Panama offer services within Panama.

By water: Islands are easily accessible by the many water taxis and ferries along Panama's shores. Travel by canoe or *cayuco* (dugout canoes) is the best way to travel to the inner depths of the country.

See "Travel and transportation" for further information.

Sample Itineraries

One week

Option 1: Panama City—Colón—Portobelo—Taboga Island— San Blas Islands—El Valle

You'll begin your trip in Panama City, a clean, modern city with skyscrapers and booming industry. By day, it is a banking hub abuzz with offices and well-dressed business people. At night it is a legendary party town with nightclubs that rock past dawn. Stop in old Panama, Panama Viejo, to see the ruins of Spain's first settlement, then drive past Noriega's house, through glamorous Paitilla and its high rises, and past the Papal Nunciatura where Noriega hid out from the U.S. army. Visit the World Heritage site of Casco Viejo, the historic part of town; its colonial buildings and beautiful plazas are currently undergoing a thorough renovation.

No visit to Panama would be complete without a stop at the Panama Canal. This engineering feat is made up of three enormous locks that rise and fall with the huge ships making their passage across the Canal. The Miraflores Lock Visitor Center here offers a good exhibit of the history of the Canal. Have a coffee in its restaurant that overlooks the workings of the locks below. The Canal's Gatun Lake is full of crocodiles and peacock bass; surrounding rainforests are home to monkeys, sloths, and a variety of tropical birds. Plan to take at least a partial transit (about five hours) up the canal. There is nothing like passing through the canal by boat. Both full and partial transits are offered on Saturdays by Canal and Bay Tours, tel. (507) 209-2009. Alternatively, drive over the Bridge of the Americas and look down on the many giant ships waiting their turn to pass through the canal.

Take the old Panama Canal Railway train from Balboa to Colón, which takes you along the banks of the canal for US\$22. Don't linger in Colón—there's nothing to see here—but head to nearby Portobelo (beautiful port), known for the historic Spanish forts that once guarded the bay. If you have time and a tank, scuba dive on the wrecks here.

An hour-long boat ride from Panama City's Port of Balboa will take you to picturesque Taboga Island, the "Isle of Flowers." The little colonial village was once the home of Paul Gauguin. Take a stroll (no cars are allowed here) to see the Spanish colonial Church of San Pedro, the Western Hemisphere's second-oldest church, and the wildlife refuge, home to hummingbirds and butterflies.

Hop a quick flight to El Porvenir, the gateway to the Comarca de Kuna Yala, for a look at the beautiful string of islands still ruled by the Kuna. The indigenous tribe, fiercely protective of the pristine archipelago, is known for its conservationist efforts. Visitors are welcome.

Be sure to have plenty of US\$1 bills on hand. You'll want to take pictures—the Kunas charge US\$1 a picture—and shop for the intricately woven *molas*, a local handicraft. No credit cards accepted here.

Once back in Panama City, take a short day-trip to the nearby quiet mountain town of El Valle to enjoy its cloud forests. Zipline through the rainforest canopy, rappel along a rock wall, or take a white-water rafting trip. If you're here on a Sunday, visit the Sunday market, arguable the best in Panama.

Option 2: Panama City—Bocas del Toro—El Valle—Penonomé— Santa Fé—Santa Catalina—Boquete

Start off in Panama City to see Panama Viejo, Casco Viejo, and the Panama Canal. Then take a quick flight to the opposite side of Panama and Bocas del Toro, a group of islands in the Caribbean Sea that is the stuff of picture postcards. Here you can snorkel, surf, and enjoy pristine beaches and the Caribbean Sea. Don't let its apparent tranquility fool you, however. These islands offer some of the most impressive party scenes around. Music blares all day and night here. Be prepared for a big night out should you decide to stay here.

Take your return trip back to Panama City and head west along the Interamericana to the string of beaches that line the Pacific Coast. You'll find everything from empty beaches to luxurious resorts along this stretch of drive. Turn off toward El Valle, a mountain haven among cloud forests and majestic peaks. Return to the highway and head into Coclé province. Its capital, Penonomé, once the capital of Panama, is the best place to buy Panama hats for friends back home. Visit La Pintada, an artist's colony nearby which has a cigar factory and the well-known Mercado de Artesanias La Pintada. The *bellota* and *pita* plants used to make local Panama hats grow outside the market.

Another detour from the Interamericana is Santa Fé, a tiny town in the highlands with beautiful waterfalls and rivers. Panamanians enjoy hiking and watching the birds here.

Extreme surfers head toward Santa Catalina, a remote and undeveloped beach that offers world-class surfing. Snorkeling and horseback riding are also popular.

Drive through David on your way to Boquete. Relax and enjoy mountain-grown coffee while enjoying the scenery...hike into the nearby forests among fellow birders in hopes of a glimpse of the famed quetzal...or simply lounge in hot springs. It's an easy flight back to Panama City from here.

Two weeks

Panama City—Colón—Isla Grande—San Blas Islands—Bocas del Toro—Boquete— Volcán Barú—Santiago—Santa Fé

Start off in modern Panama City for a look at buzzing construction sites and a night out on the town. Visit Panama Viejo and Casco Viejo. After a trip to the Panama Canal and its Miraflores Locks' Visitor Center, take the old Panama Canal Railway train from Balboa to Colón, which takes you along the banks of the canal for US\$22. Take a car back to Panama City—or a bus or taxi to tiny La Guayra, where you can catch a 10-minute boat ride to Isla Grande. Enjoy a meal here—the fish and coconuts are your best bet—and listen to Congo or reggae music, or simply enjoy a snorkel or scuba dive.

Return by car to Panama City, when you'll take a short flight to the Comarca de Kuna Yala and see the beautiful string of islands still ruled by the Kuna people. If you have time, plan to stay at the Coral Lodge, an isolated but luxurious option on the edge of the archipelago.

Return to Panama City to catch a flight to Bocas del Toro, a pristine group of islands in the Caribbean Sea. Spend a night in one of the simple lodgings here and enjoy a communal meal of fish and vegetables. (Bring your own wine—the Kuna don't drink alcohol except during festivals. And cash—no credit cards accepted.) Don't swim near inhabited islands; outhouses are often located at the water's edge.

From here head to the Highlands and Boquete to cool off after your nights on the Caribbean beaches. Enjoy the famed coffee and hot springs here and have a local guide point out the exquisite birds that make the area their home. Visit Volcán Barú, a dormant volcano with seven craters. Its summit is Panama's highest point; on a good day you can see both the Pacific and Caribbean Coast. Head east along the Interamericana to the string of beaches that line the Pacific Coast here.

Stop in Santiago for a bite to eat or a driving break before heading to Santa Fé by way of the Iglesia San Francisco de Veraguas. The church is one of the oldest baroque churches in the Americas. The altar was carved locally around 1727. If you have time, visit the El Chorro del Espiritu Santo waterfall and take a dip in its swimming hole.

One month

Panama City—San Blas Islands—Ipeti—Darién—Boquete—Volcán Barú—Sendero Los Quetzales—Gulf of Chiriquí—Bocas del Toro Start off in modern Panama City to admire its rocking nightlife. Visit Panama Viejo and Casco Viejo. Take a full or partial transit of the canal. Drive over the Bridge of the Americas and look from there down to the many giant ships waiting their turn to pass through the canal.

Take the quick flight to the Comarca de Kuna Yala and see the beautiful string of islands still ruled by the Kuna.

Follow the Interamericana road that leaves Panama City and travels toward Darién until it stops at the town of Yaviza. You'll travel past several indigenous settlements. Ipeti is a village divided into three parts, each occupied by a different cultural group. Take some time to walk the trails here, learn about native culture, or travel by canoe to see the wildlife. Continue along the Interamericana and you'll arrive at Higueronal, a checkpoint on the way to Darién. Be prepared to show your passport here. Meet your Ancon Expeditions guide for your prearranged trip.

The wildlife preserve 25 km from La Palma is owned by the private conservation group ANCON; an Ancon Expeditions guide can lead you into the Darién wilderness by car, canoe, or flight. If you have time, take a fishing expedition here—the sport fishing is some of the best in the world—and stay at the Tropic Star Lodge, reputedly one of the best billfish lodges in the world. Alernativly, spend a night in Mogue, an indigenous Emberá village. Its villagers welcome visitors and can lead you to harpy eagle nests in the jungle. If you really want a taste of the wilderness, take a boat ride up the Rio Sambu. If you prefer comfort in the middle of the wilderness, consider a stay at one of Ancon Expedition's jungle lodges like Cana and Punta Patino.

Head back to Panama City and civilization and take a flight west to Boquete. Visit Panama's highest point, Volcán Barú, a dormant volcano with seven craters. Take a bus to Cerro Punta. From here, hike five hours downhill toward Boquete along the Sendero Los Quetzales. You'll be in good company: 250 bird species—including the resplendent quetzal—live in the cloud forests here.

From Boquete head farther south toward the Gulf of Chiriquí. It is home to thousands of different kinds of whales. Humpback, sperm, and blue and killer whales live here. The Parque Nacional Coiba around Isla Coiba offers first-class diving. The marlin fishing at the Hannibal Bank is unsurpassed.

Head back to Bocas del Toro to relax on the Caribbean before flying back to Panama City.

Practicalities

Accommodation

You'll find accommodation for every budget in Panama City. Following is a list of recommended hotels in the city:

Panama City:

Bristol Hotel, Av. Aquilino de la Guardia, Bella Vista; tel. (507) 264-0000; website: www.thebristol.com

Casa de Carmen, Calle 1a de Carmen; tel. (507) 263-4366; website: www.lacasadecarmen.net

Coral Suites Aparthotel, Calle D, El Cangrejo; tel. (507) 269-3898; website: www.coralsuites.net

Country Inn & Suites, Amador, *Av. Amador and Av. Pelicano; tel.* (507) 300-1894; website: http://www.countryinns.com/panama-city-hotel-pa-8001/panama

Four Points Sheraton, World Trade Center, Calle 53 East; tel. (507) 265-3636

Gamboa Rainforest Resort, *tel.* (507) 314-9000; website: <u>www.gamboaresort.com</u>. Situated near the canal and Rio Chagres with incredible views of the rainforest and canopy tours.

Holiday Inn, Av. Manuel Espinosa. B; tel. (507) 206-5556; website: http://www.holidayinn.com/hotels/us/en/panama-city/pcyhi/hoteldetail

Hotel DeVille, Av. Beatriz M Cabal; tel. (507) 206-3100; website: www.devillehotel.com.pa

Hotel el Panama, via España 111; tel. (507) 215-9000; website: www.elpanama.com

Hotel El Parador, Calle Eusebio Morales and via Veneto; tel. (507) 214-4586; website: www.hotelparadorpanama.com

Hotel Riande Continental, *Calle Ricardo Arias and Via España; tel. (507) 366-7700; website:* www.hotelesriande.com

Hotel Sheraton, Calle 77 Este; tel. (507) 305-5100; website: www.sheratonpanama.com.pa

La Estancia, Quarry Heights, Cerro Ancon; tel. (507) 314-1417; website: www.bedandbreakfastpanama.com

Las Vegas Hotel, Calle 55 and Eusebio Morales; tel. (507) 300-2020; website: http://lasvegaspanama.com/en

Mamallena, Calle Primera, Perejil; tel. (507) 6538-9745; website: http://mamallena.com/

Miramar Intercontinental, *Miramar Plaza*, *Av. Balboa*; *tel.* (507) 206-8888; website: www.hinnpanama.com

Torres de Alba, Av. Eusebio Morales y "L", El Cangrejo; tel. (507) 300-7130; website: www.torresdealba.com.pa

Tower House Suites, Calle 51, Bella Vista; tel. (507) 269-2847; website: www.towerhsuites.com

Voyager International Hostel, *Via Argentina, Edificio Elmisani; tel. (507) 6106-6952, (507) 6921-8269; website:* <u>www.voyagerhostelpanama.net</u>

Bella Vista and Calidonia:

The only boutique hotel in operation is Canal House (<u>www.CanalHousePanama.com</u>) where Daniel Craig stayed during the filming of the latest James Bond film.

Hospedaje Casco Viejo, *Calles 8a Oeste; tel. (507) 221-2027; website:* <u>www.hospedajecascoviejo.com</u>

Hotel Andino, Calle 35; tel. (507) 225-1162; website: www.hotelandino.net

Hotel Acapulco, Calle 30; tel. (507) 225-3832

Hotel Venecia, Av Peru near Calle 35 Este; tel. (507) 227-7881; website: www.hvenecia.com

Hotel California, Via España and Calle 43; tel. (507) 263-7736; website: <u>www.hotelcaliforniapanama.net</u>

Hotel Caribe, corner of Calle 28 and Av. Peru; tel. (507) 225-0404

Hotel Casco Antiguo, corner of Calle 12 Oeste and B; tel. (507) 228-8506; website: www.hotelcascoantiguo.com

Hotel Costa Inn, Av. Peru; tel. (507) 227-1522; website: www.hotelcostainn.com

Hotel Marparaiso, Calle 34 Este; tel. (507) 227-6767; website: www.marparaisopma.com

Hotel Roma Plaza, Av. Justo Arosemena and Calle 33; tel. (507) 227-3844; website: www.hotelromaplaza.com

Luna's Castle, Calle 9; tel. 507-262-1540; website: www.lunascastlehostel.com

Miramar InterContinental, Av. Balboa; tel. (507) 206-8888; website: www.miramarpanama.com

Residencial Jamaica, corner of Av. Cuba and Calle 38; tel. (507) 225-9870

Villa Michelle, contact Ivonne; cell: (507) 6612-3737; or tel. (507) 221-2310; website: http://alemi2424.blogspot.com/

Boquete:

Boquete Garden Inn, Av Central, tel. (507) 720-2376; website: <u>www.boquetegardeninn.com</u>

Finca Lerida, Av Central, tel. (507) 720-2285; website: www.fincalerida.com

Hostal Boquete, Calle La Alameda; tel. (507) 720-2573; website: <u>www.hostalboquete.com</u>

Hostal Dona Catal, Av. Central; tel. (507) 720-1260

Hotel Los Establos, Av. A Este, tel. (507) 720-2685; website: http://losestablos.net/

Hostal Palacios, Av. Central, tel. (507) 720-1653

Hotel Panamonte Inn, Av. Central, tel. (507) 720-1324; website: http://panamonte.com/

Hostal Nomba, Av. A Oeste; tel. (507) 720-1076; website: www.nombapanama.com

Isla Verde, Av. 8 Oeste; tel. (507) 720-2533; website: www.islaverdepanama.com

Kalima Suites Aparthotel, Av. A Este; tel. (507) 720-2884; website: <u>www.panamatropicalvacations.com</u>

La Montana y el Valle, Calle Jaramillo Alto; tel. (507) 720-2211; website: www.coffeeestateinn.com

Momentum Luxury Cabins, Av. A Este, tel. (507) 720-4385; website: <u>www.momentum-panama.com</u>

Mozart Petit Hotel, *Calle Volcancito Principal; tel. (507) 720-3764; website:* <u>www.centrodereservas.net/Default.asp?Page=166</u>

Riverside Inn, Calle Jaramillo alto; tel. (507) 720-1076; website: http://riversideinnboquete.com

Pension Marilos, Av. A Este and Calle 6 Sur; tel. (507) 720-1380; website: <u>www.pension-marilos.com</u>

Pension Topas, Av. Belisario Porras; tel. (507) 720-1005; website: www.coffeeadventures.net/Topas.html

Pension Virginia, Av. A Este, tel. (507) 720-1260

Valle Escondido, Av. Central, tel. (507) 720-2454; website: www.veresort.com

Villa Lorena, Av. 8 Oeste, tel. (507) 720-1848

Villa Marita Hotel, Av. Central, tel. (507) 720-2165; website: www.villamarita.com

Santiago and Santa Fé, Veraguas

Hotel Galeria, Via Interamericana, tel. (507) 958-7950/51

Hotel Gran David, Via Interamericana, tel. (507) 998-4510

Hotel Hong, Santa Fé, tel. (507) 998-4059

Hotel La Hacienda, *Via Interamericana*, *tel.* (507) 958-8580; website: www.centrodereservas.net/Default.asp?Page=80

Hotel Piramidal, Via Interamericana, tel. (507) 998-3123

Hotel Plaza Gran David, Via Interamericana; tel. (507) 998-3433

Hotel Santa Fe, Santa Fé, tel. (507) 954-0941

Bocas del Toro

Al Natural, Av. H, tel. (507) 757-9004; website: www.bocas.com/alnatura.htm

Bocas Inn, Av *H; tel. (507) 757-9600; website:* <u>www.bocas-del-toro.org/hotels/bocas-del-toro/bocas-inn.htm</u>

Casa Amarilla, Calle 5, Av. G; tel. (507)-757-9938; website: http://casaamarilla.org/aboutus.aspx

Hostal de Hansi, Avenida D and Calle 1; tel. (507) 757-9085; website: http://hostalhansi.bocas.com

Hostel Heike, Calle 3, Isla Colón; tel. (507) 757-9708; website: www.hostelheike.com

Hotel Angela, Av H; tel. (507) 757-9813; website: www.hotelangela.com

Hotel Bahia, Calle 3; tel. (507) 757-9626; website: www.bocasbahiadelsol.com

Hotel Cala Luna, Calle 5; tel. (507) 757-9066; website: www.calalunabocas.com

Hotel Casa Max, Calle 3, tel. (507) 757-9120; website: http://casamax.netfirms.com

Hotel Dos Palmas, Clle. 6, Bd.Las Palmitas; tel. (507)-757-9906

Hotel Las Brisas, Calle 3; tel. (507) 757-9549; website: www.hosteltrail.com/hotellasbrisas

Hotel La Veranda, Av G; tel. (507)-757-9211; website: http://laverandapanama.tripod.com

Hotel Olas, Calle 6; tel. (507)-757-9930; website: www.hotelolas.com/index.php

Mondo Taitu Hostel, Av H; tel. (507) 757-9425; website: www.mondotaitu.com

Punta Caracol Acqua-lodge, Calle 1, tel. (507) 6612-1088; website: www.puntacaracol.com

Tropical Suites, Calle 1; tel. (507) 757-9880; website: <u>www.bocastropical.com</u>

Food

Panama City:

Crepes and Waffles, Calle 47 Este, Bella Vista; tel. (507) 269-1574; crepes of all kinds.

El Pavo Real, Via Argentina; tel. (507) 394-6853; pool and pub-style food.

Eurasia, Calle 48, Bella Vista; tel. (507) 264-7859.

Greenhouse, Calle Uruguay; tel. (507) 264-6484; coffe lounge.

Limoncillo, Calle 69, San Francisco; tel. (507) 270-0807; Panamanian chef with New York experience.

Lum's, Av. Canfield, Ancon; tel. (507) 317-6303; good grilled fare and pool.

Machu Picchu, Calle Eusebio; tel. (507) 264-9308; traditional Peruvian cuisine.

Madame Chang, Calle 48, Bella Vista; tel. (507) 269-1313; Chinese restaurant.

Martin Fierro, Calle Eusebio A Morales; tel. (507) 264-1927; top-quality meat dishes.

Niko's Café, Calle 50; tel. (507) 270-2555; Greek restaurant chain.

Parillada Jimmy, Av Cincuentenario; tel. (507) 226-1096; traditional cuisine.

Restaurante 1985, tel. (507) 263-8541; French restaurant—expensive.

Restaurante Masala, Calle 44 y 45 Bella Vista, tel. (507) 225-0105; Indian cuisine.

Restaurante Matsuei, Calle Eusebio A Morales; tel. (507) 264-9562; Japanese menu and sushi bar.

Restaurante Vegetariano Mireya, corner of Calle Ricardo Arias and Av 3a Sur; tel. (507) 269-1876; vegetarian menu.

Restaurante y Pizzeria Napoli, *Calle 57 Obarrio; tel. (507) 263-8800; the city's oldest pizzeria.*

Siete Mares, Calle Guatemala; tel. (507) 264-0144.

Casco Viejo:

Brooklyn Café, *Calle 1a*; *tel. (507) 211-0961*; *neighborhood coffee shop.*

Café Coca Cola, Av. Central; tel. (507) 228-7687; inexpensive diner.

Café de Neri, Av 4; tel. (507) 228-4361; soups, pasta, outdoor dining.

Casablanca, *Plaza Bolivar*; *tel.* (507) 212-0040; *great ceviche*.

Granclement, Av Central; tel. (507) 228-0737; ice cream shop.

Manolo Caracol, corner of Av Central and Calle 3 Oeste; tel. (507) 228-4640; most famous restaurant in Panama City.

Rene Café, Calle 7a Este; tel. 262-3487; traditional and international meals.

Restaurante Las Bovedas, Plaza de Francia; tel. (507) 228-8058; French restaurant.

Boquete:

Bistro Boquete, Av Central; tel. (507) 720-1017; casual dishes.

Café Punto de Encuentro, Calle 6 Este; tel. (507) 720-2123; coffee and omelets.

Café Ruiz, Calle 2 Norte; tel. (507) 720-1000; coffee shop with view.

El Sabrosón, Av Central; tel. (507) 720-2147; traditional Panamanian cuisine.

Java Juice, Av Central; salads and milkshakes.

La Huaca, Av Central; pizzas with a view.

Palo Alto, Calle Jaramillo Alto; tel. (507) 720-1076; local dishes beside the river.

Pasteleria Alemana, tel. (507) 720-4129; pies and coffee.

Restaurant Lourdes, Av Central; tel: (507) 720-1031; local dishes.

Santa Fé Bar and Grill, Southwestern U.S.-style food

Shalom Bakery, *Clle 4a Sur, near the river; bagels and coffee.*

Zanzibar, Main Street, jazz bar.

Santiago and Santa Fé, Veraguas:

Charlie Shop, Santiago; traditional, inexpensive fare.

Mar del Sur, Santiago; tel. (507) 998-6455; Peruvian dishes.

Restaurante de la Cooperativa, Calle Principal, Santa Fé; tel. (507) 954-0914; locally grown fish and produce.

Restaurante Los Tucanes, Santiago; tel. (507) 958-5604; daily specials.

Bocas del Toro:

Alberto's Pizzeria, Calle 5; tel. (507) 757-9066; Italian pizza.

Café d'Artiste, Calle 1; café with art for sale.

El Chitre, *Calle 3; cafeteria with inexpensive food.*

El pecado del sabor, Calle 3; tel: (507) 6597-0296; Thai and Panamanian food.

El Ultimo Refugio, Av Sur; <u>www.ultimorefugio.com</u>; seafood dishes.

La Casbah, Av Norte; tel. (507) 6477-4727; Mediterranean restaurant.

Lemongrass Bistro, Calle 2, above Starfleet Scuba; tel. (507) 757-9630; Asian restaurant.

Lilli's Café, Calle 1; tel. (507) 6560-8777; good breakfast and lunch fares.

Om Café, Clle 2; tel. (507) 6624-0898; outdoor Indian restaurant.

Panaderia y Dulceria Alemana, Clle. 2; tel. (507) 757-9436; bakery and coffee shop.

Posada Los Delfines, Calle 5; breakfast specials.

TRAVEL AND TRANSPORTATION

Panama is perhaps the easiest place in this part of the world to access from North America. It's only a four-hour flight from Atlanta, and there are regular, non-stop flights to Panama from Newark, Miami, Los Angeles, Atlanta, Dallas, and Houston. There is also non-stop service from most South American cities on Panama's national airline, Copa Airlines. In addition, KLM now offers direct access from Amsterdam.

Once there, it is easy and inexpensive to get around. For about US\$150 you can fly just about anywhere within Panama. You can take a taxi for about US\$1.50 in Panama's towns.

If you decide to move to Panama, you'll have to choose whether you want to own a car or not. Driving is a challenge in Panama City. Traffic jams, honking horns, one-way streets, and detours are a part of daily life. In fact, the most sensible option is to own your own car and engage a driver, so you don't have to navigate Panama City traffic yourself. Although taxis are inexpensive, they are sometimes hard to come by and frequently unreliable.

I once had a taxi driver tell me to get out. The ride was over. We had been stuck in traffic for 45 minutes. It was now dark. Nobody was going anywhere anytime soon, and this driver wanted to get home to dinner. He put me out on the street farther from my destination (because of the detours) than I'd been when I'd gotten into the taxi in the first place.

That said, the infrastructure here as a whole is good—and far superior to that of other Latin American countries. Accessible roads, daily flights to the U.S., and reliable public transportation all make Panama an easy place to get around.

Arriving by air to Panama City

You will arrive at Panama's international airport Tocumen, located 20 miles outside Panama City. You'll need to show your passport, and a tourist visa will be stamped on it.

The expansion of the airport in David, south of Boquete, on Panama's western side, means many more direct flights from the U.S. and other countries to this region. So far its international airport, Aeropuerto Enrique Malek, only handles flights to Costa Rica. Also, the Rio Hato international airport just opened on Panama's Pacific coast.

Copa Airlines is Panama's national airline and it handles many flights to the States and other Latin American countries. Other airlines that service Panama include the following:

Live and Invest in Panama

- AeroMexico, tel. (507) 301-0404, website: www.aeromexico.com
- Aires, tel. (507) 214-2330; website: <u>www.aires.aero</u>
- American Airlines, tel. (507) 269-6022, website: www.aa.com
- Continental, tel. (507) 265-0040, website: www.continental.com
- Copa Air, tel. (507) 217-2672, website: <u>www.copaair.com</u>
- Cubana, tel. (507) 209-8015, website: <u>www.cubana.cu</u>
- Delta Airlines, tel. (507) 214-8118, website: <u>www.delta.com</u>
- Iberia, tel. (507) 227-2322, website: <u>www.Iberia.com</u>
- KLM, tel. (507) 340-5800, <u>www.klm.com</u>
- Lan Chile, tel. (507) 226-7119, website: <u>www.lanchile.com</u>
- Mexicana, tel. (507) 264-9855, website: www.mexicana.com

First visit? Hire a driver

For your first visit to Panama City, we recommend you leave the driving to someone else. You can hire a driver for about US\$10/hour and let him navigate the congested streets of Panama City or elsewhere. Also, taxis are inexpensive but can be extremely hard to hail at times. (Confirm the fare before getting into the cab. It's helpful to know a little Spanish—or at least carry your phrasebook.)

From Tocumen airport take a taxi or shuttle into Panama City for about US\$30. Or make arrangements ahead of time with a local tour guide, who can meet you at the airport and familiarize you with the city.

Arriving by land into Panama

Some travelers arrive from Costa Rica by bus and pass one of the three border crossings between Costa Rica and Panama. The most traveled is Paso Canoas on the Interamericana. To cross the border into Panama, you'll need to show your passport, an onward ticket, and proof of solvency such as US\$500 or a credit card. If you don't have an onward ticket, you'll have to buy one from the Tica Bus (507-6573-0617, Mr Rogelio) office at the border.

Once inside Panama's border, you'll see taxis and buses waiting. Buses depart for David, the nearest city, every 10 minutes or so; the cost is about US\$2. Bus services to Panama City are less frequent; costs are about US\$12, or US\$18 for express service. Taxis are available here 24 hours a day.

The other border crossings are Sixaola on the Caribbean Coast, with taxi and bus services to Changuinola, and Rio Sereno, with bus service to Volcan.

There are no border crossings into Colombia, on Panama's eastern side.

Getting around by air

Domestic flights are frequent and reliable. You can fly anywhere in the country in under an hour. Plan ahead: Flying is actually the preferred method of transportation among Panamanians, and flights are often booked. Some places in Panama, like the Comarca de Kuna Yala, only have one incoming flight a day. Double check flight schedules as some routes are only flown every couple of days.

You'll be asked your weight when you check in. Planes are small, so every pound counts. Keep your baggage to a minimum.

Panama has one domestic carrier:

Air Panama, *tel.* (507) 316-9000, website: <u>www.flyairpanama.com</u>. Domestic flights depart from Panama City from its regional airport, Aeropuerto Albrook, located outside of town.

Getting around by train

The only real railroad service in Panama is the Panama Railroad, which runs from Panama City to Colón. This historic railway was built in 1855 and abandoned in 1979 until Panama privatized the railway 10 years later. Today you can take the Panama Canal Railway Company train, (*tel.* 507-317-6070, www.panarail.com) on a fully operational, vintage, one-hour ride parallel to the canal and through jungle and rainforest. The cost is US\$22 and the train departs daily from Corozal, a town 15 minutes from Panama City. Call the Panama Canal Railway or visit www.Anconexpeditions.com for further information.

The banana train, which carries bananas—one of Panama's biggest exports—through the northern end of Bocas del Toro province occasionally has passengers. If you decide to jump on, remember it is very slow.

Getting around by bus

The local public buses are the stuff of urban legend. Everyone should have the experience of riding one at least once, but they aren't a realistic option for getting around. Still, if one must resort to bus transportation, you'll find city buses easily recognized and painted in bright, colorful schemes. Most are the "school bus" variety, with seating that is sometimes lacking in comfort and air-conditioning, but they service almost every part of the city. Passengers pay a flat fare at the turnstile when boarding. Alternatively, the new metro-bus system in Panama City rolls around on new, modern buses.

The national bus system that services all accessible areas of the country offers modern, airconditioned, reliable buses. You'll leave from the new Gran Terminal de Albrook, located near the downtown area, to go to any of the towns in the interior, such as El Valle, Colón, David, Las Tablas, or Antón. Buses leave throughout the day at hourly intervals or sometimes more frequently, depending on destination. It is not fast, but it's affordable—about US\$8 to go anywhere in the country—and fairly comfortable. Some of the buses that travel on the Interamericana are huge Mercedes Benz, but most are Toyota Coaster buses called *chivas* that can seat up to 28 people. They are a good way to visit the towns on the Azuero peninsula and across the Interamericana.

You can also take an overnight bus with air-conditioning from Panama City to Bocas del Toro, Chiriquí Grande, and Changuinola. Contact Union de Buses Panamericanos, tel. (507) 303-6326 in Albrook for details.

Getting around by boat

Boats are the primary means of transport in many regions of Panama. You'll find numerous water taxis operating in Bocas del Toro and the San Blas archipelago. Kuna Indian merchant ships also carry passengers and cargo between Puerto Obaldía and Colón along the San Blas coast. You can't call ahead. Simply ask about passage once you are there. It is easily arranged. If the boats look too overcrowded, consider hiring a local boatsman. The price is almost as low...and many act as tour guides. Local fishermen also offer passage from Veraguas.

Travel in the Darien province is easiest by boat, especially during the rainy season. Boat travel here is done by *cayuco*, the canoes made from giant tree trunks. The shallow hulls allow travel along shallow rivers and are often motorized.

From Panama City you can travel by boat to nearby Isla Taboga. And of course the Panama Canal is the major shipping route for freight and passengers. Arrange a canal transit through Canal & Bay Tours, *tel.* (507) 209-2010.

Getting around by car

Panama has two major roads: the Trans-Isthmian Highway, which links Panama City to Colón, and the Pan-American Highway or Interamericana which links from the province of Darien to Costa Rica, and is the only highway that runs just about the entire length of Panama.

Outside Panama's major cities, road conditions are at best unreliable. From April through December, the rainy season renders many roads unusable, especially outside urban areas. Also, street numbers are not generally used in Panama. Directions are usually given with landmarks or nearby buildings. Be sure you know where you are going.

In addition, many vehicles—including buses and taxis—are not well maintained, so driving can be hazardous. Locals are extremely slack about using their brakes and signaling. Lots of traffic, poor signage and traffic signals, and many uninsured motorists (insurance was just recently made mandatory in Panama), and you have a situation that should give pause to many travelers considering driving themselves around the country.

We recommend you hire a driver while here—especially on your first visit to the country. You can hire almost any taxi in town for about US\$10 an hour. You can hire an English-speaking driver (who will double as a tour guide) from Sergio at (507) 6907-8628. Miguel

Samaniego and his wife Yaremi, of Inside Panama (www.insidepma.com), offer airport transfers and sightseeing services. They speak fluent English and can be contacted by e-mail at transport@insidepma.com or by phone at (507) 6678-7842.

Panama car rental

Still, if you want to drive yourself, you have many options. All the major car rental companies including Hertz, Budget, Thrifty, and Dollar have offices in Panama City and David. Be sure you have a driver's license from your home country. Prices run from US\$25 to US\$100 a day.

Car rental numbers

- Alamo, tel. (507) 236-5777
- Avis, tel. (507) 278-9444
- **Barriga**, tel. (507) 269-0056
- **Budget**, tel. (507) 263-9190, (507) 238-4069
- **Discovery**, tel. (507) 270-0355
- **Dollar**, tel. (507) 270-0355
- **Hertz**, tel. (507) 301-2611
- National, tel. (507) 265-2222
- Thrifty, tel. (507) 204-9555

Bringing your own car to Panama

It is possible to drive to Panama from North America, but it is not for the faint of heart. First off, it's not cheap. Budget for gasoline, insurance, and import fees. Get your insurance before you leave the States, as some countries will not offer coverage for cars with foreign plates. Always have your papers in order and never leave your car unattended; North American plates draw the attention of car thieves.

Note: If you drive your own car, choose a Japanese model. You'll have more luck servicing it and selling it in Panama (if you want to). Toyotas, Mitsubishis, Nissans, and Hondas are especially popular.

When you arrive in Panama, you'll have to pay US\$5 for a vehicle control certificate and another US\$1 for fumigation, required for all vehicles brought into Panama. Your passport will be stamped to indicate that you paid the necessary fees. Once here, Panamanian law requires that your car be fitted with a catalytic converter.

If you decide to sell your car, you'll most likely be required to nationalize it. This costs up to 25% of the car's value. The best way to sell it is through the classifieds in *La Prensa* newspaper.

If you want to buy a car in Panama, you'll find plenty listed in the classified. Websites like www.encuentra24.com list everything from Hyundai Elantra for US\$3,850 to Audi Q7 for US\$39,900. In Panama City, a 2000 Ford Windstar with air-conditioning was listed for US\$5,500. A 2001 BMW 318i in good condition is for sale for US\$8,500. Even a four-passenger electric golf cart with headlights, taillights, a windshield and a mirror was listed, for US\$4,895.

Driver's License

You can drive in Panama with your driver's license from your home country for three months. If you are a resident then you must obtain a Panamanian driver's license from the SERTRACEN center (www.sertracen.com.pa) in Albrook. You will need your Permanent Residency Card (original and a copy), your passport (original and a copy), the foreign driver's licence (with a copy duly authenticated by your country's consulate in Panama and certificated at the office of the Ministry of Foreign Affairs in Plaza Edison), a blood type test, a medical test (if your age is over 70), and US\$20.25. You can also drive with an International Driver's License (IDL), available from the American Automobile Association (AAA) or the American Automobile Touring Alliance. Remember: IDLs don't replace a current license, and they are not valid in your home country. Check out http://travel.state.gov/travel/tips/tips/tips/tips/1232.html for more information.

Rules of the road

- It is against the law to drive and talk on your cell phone at the same time. If caught, the fine is US\$250.
- The speed limit on main highways is 100 kilometers an hour and 60 or 40 kilometers an hour in Panama City. Although speed limits should be adhered to, it's wise to remember that local drivers can be speedy and reckless. They may honk their horns unnecessarily and change lanes with no warning.
- Wear your seatbelt.
- Keep your passport handy. It's illegal not to carry some form of identification.

Important Spanish phrases for driving

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Como llego a (place name)—How do I get to...?

Estoy perdido/a— I am lost.

Me puede ayudar, por favor—Will you help me, please?

No rebase—Do not pass

izquierda—left

derecha—right

derecho—straight

peligro—danger

alto—stop

rapido—fast

lento—slow

cuota—toll

mirador—scenic look-out point

cinturón de seguridad—seatbelt
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puente—bridge
revisión—checkpoint
carretera—highway
desvío—detour
tope—speed bump
norte—north
sur—south
este-east
oeste—west
calle/paseo—street
Road signs
Entrada—Entrance
Salida—Exit
Información—Information
Abierto—Open
Cerrado—Closed
Prohibido—Prohibited
Servicios/Baños—Toilets (hombres or varones for men, mujeres or damas for women)
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Getting around by taxi

Used to be, taxis in Panama City were abundant and inexpensive—about US\$1 or US\$2 for travel anywhere in the city.

And you could get one anytime you wanted one. In fact, they'd honk at you as you walked along the side of the road, asking, in their way, if you wouldn't like to make use of their services, rather than hoofing it.

No more. These days, Panama City is a boomtown, and there aren't enough taxis to go around. You can stand on the corner for 30 minutes or longer trying to hail one...only to find, when one eventually stops, that the driver isn't interested in traveling to the place where you'd like to go.

These days, getting around Panama City by taxi is a great big hassle. The drivers are frazzled by the traffic, picky as to whom they'll pick up and where they'll go, and not above trying to overcharge the unsuspecting foreign fare.

You'll recognize some taxis by their yellow color...and, often, their dented fenders and doors. They're meant to have a number painted on them, that you can use to register any complaints (or compliments), but most don't.

Taxis may be hailed in the street, engaged at a taxi stand, or reserved by telephone. Many people share cabs, called a *colectivo*; in this case, there is a small surcharge for each additional passenger.

Best bet for night travel is to call a radio taxi.

Now, here's the secret to taxi travel in Panama City: Know what your fare should be before you get into the cab.

Some time ago, fares were negotiable and figuring them was an art. In 2008, a zone system was established, and now fares are determined by zones in the city, rather than by meters traveled. Drivers are to have a zone chart with them at all times.

Meaning you could ask to see the driver's chart before you get into his cab. But asking for the zone chart can lead to a conversation you'd probably rather avoid. So, again, know what your fare should be before you even hail the driver down.

Here's another important taxi-related tip: Tourist taxis (with SET license plates) park outside hotels and can charge as much as four times more than regular taxis. The one nice thing about these super-expensive taxis is that you can arrange a hotel taxi before your arrival. The hotel representative will hold a sign for you at the passenger arrivals area or will park with the regular taxis. For US\$30 to US\$100 you can book a luxurious ride in a large, air-conditioned car directly to your hotel.

Especially for your first visit to the country, this can be a good idea and worth the extra cost. Once you know your way around, though, go local.

Radio taxi companies:

- America Libre, tel. (507) 223-7342
- El Parador, tel. (507) 220-5322
- Unico, tel. (507) 221-8258

Getting around by bicycle

It's easy to get around Panama's countryside by bicycle, but we do not recommend cycling around the larger cities. There are no bike lanes and drivers are aggressive. Also consider the weather. Rain can make it difficult to travel—especially in the Caribbean, where it rains year-round.

The Interamericana, however, is well-paved and offers plenty of room in most parts of it. Side roads can be bad—even without the rain—so be sure you carry any spare parts you might need.

Getting around by Metro

Panama City recently unveiled it's Metro rail-transportation system. The first line, connecting the inland regions of Panama City with the downtown, is more usefull for Panamanians trying to get to work than for tourists. Though, if your destination is along the serviced route, it is an easy, safe, and quick way to get around. Cheap too, at only 35 cents per fare. A second and third line are planned to be built in the next few years.

DAILY LIFE

Making the move

Panama may be the most user-friendly choice for foreign residency in the world. Once you've decided you'd like to put down stakes, either full- or part-time, you'll find Panama has already thought things through for you, thanks to the tens of thousands of foreign residents who've come before you.

Considering the options: For acquiring your residency visa—Panama offers many different options. For choosing where in the country to settle—you can have big-city living in the capital, a mountain retreat in the highlands, the Caribbean lapping at your front door, or the sound of the crashing Pacific from your balcony. For securing your new home, be it to rent or buy—Panama's real estate industry is the most developed and sophisticated in the region. For wading through the red tape: opening a bank account or having phone and Internet installed—again, these things are far more straightforward in this country than anywhere else in this part of the world.

Panama has been serious about attracting, accommodating, and servicing foreign residents and retirees for well over a dozen years. It has the systems and the infrastructure in place to make your experience of establishing yourself surprisingly pain-free.

There are other advantages, too:

- The U.S. dollar is the legal tender;
- Residents do not pay tax on foreign-earned income;
- Foreigners can buy and own property in Panama with the same rights and protections as Panamanian citizens;
- Tourism investments have exemptions from import duties, construction materials and equipment, income, real estate taxes, etc.;
- English is widely spoken;
- Health care facilities and services are to U.S. standard, with many U.S.-trained, English-speaking doctors available;
- Panama has a reliable and modern communication system with fiber-optic telephone lines and Internet in much of the country.

Immigration and visas

You have several choices should you decide to stay in Panama. The following information outlines the favorite visas offered to foreigners. Take a look and decide which one best accommodates your lifestyle.

Of course, you don't have to obtain a visa to live in Panama. And you don't have to get a visa right away. You can buy a home in Panama and enjoy all the rights a Panamanian does on just a tourist visa, which is valid for 180 days. After 180 days, you have to make a short trip to another country and return. Many people come and go like this for years, but this should be avoided since you may be deemed not a *bona fide* tourist.

To get any visa, you must:

- Have a certificate of general good health signed by a Panamanian doctor;
- A clean police report from your last place of residence;
- Six passport-size photos. Dress appropriately for your picture—men in suits, women in dresses or blouses.

Also, you must hire a lawyer to get your visa. Expect to pay around US\$1,000 to US\$1,500 in lawyer's fees plus government fees depending on the type of visa. Ask around. Other expats may be able to suggest reputable lawyers. See "Resources" for a list of reputable lawyers.

Once a resident...

New immigration laws passed in August 2008 abolished the requirement for foreign residents to obtain a Multiple Entry Permit in their passports. Multiple-entry permits may now be issued for five years, up from two years.

You will still need an entry/exit permit if you are initiating your residence status and have a *carnet* valid for three/six months. The cost is US\$50.

Option 1: The Pensionado visa, or retirement visa

Let's take Panama's retirement visa first. It deserves serious attention as it attracts the most expats from around the world. Rightfully so. Panama's *pensionado* visa continues to provide one of the most generous packages of retiree benefits in the world.

The government of Panama has historically allowed any adult over 18 years of age who could show proof of a monthly pension of any kind to qualify for a *pensionado*, or retirement, visa. If you receive a pension from any government entity, social security, Armed Forces, or a private company that pays you a guaranteed pension for a lifetime, you qualify (US\$1,000 per month and an additional US\$250 for each dependant).

Best of all, in Panama, if you qualify under the *pensionado* program today, you get to keep your privileges for life.

Check out these benefits for foreign residents and retirees:

- 50% off entertainment anywhere in the country (movies, theaters, concerts, sporting events);
- 30% off bus, boat, and train fares;
- 25% off airline tickets;
- 50% off hotel stays from Monday through Thursday;
- 30% off hotels stays from Friday through Sunday;
- 25% off at restaurants;
- 15% off at fast-food restaurants;
- 15% off hospital bills (if no insurance applies);
- 10% off prescription medicines;
- 20% off medical consultations;
- 15% off dental and eye exams;
- 20% off professional and technical services;
- 50% closing costs for home loans.

To sweeten the deal, you are also entitled to a one-time tax exemption on the importation of household goods (up to US\$10,000) and a tax exemption every two years for the importation or local purchase of a new car. An added bonus: Every bank in Panama has special express lines for retirees. It is required by law.

To apply, hire a Panamanian lawyer to handle the application process. (Again, see "Resources" for a list of reputable lawyers.) The one-time application is simple and fast with no renewals or additional fees. Children under 18 will qualify as dependents of their parents.

Take note: You must notarize and authenticate all overseas documents at a Panamanian consulate or Secretary of State Office before presenting them to the authorities. All documents must be valid and current. Passports must be valid for at least another year from the time of application. Remember, if you are taking your spouse and children, include a copy of your marriage certificate and valid birth certificates for any children under 18.

Option 2: Private income retiree visa

You can obtain a visa for the financially self sufficient if you maintain a CD deposited at the National Bank of Panama or Caja de Ahorros which yields at least US\$2,000 per month. The deposit must be renewed every five years to maintain the status.

Option 3: Person of means visa or Solvencia Económica Propia

To qualify for this visa, you must either open a three-year fixed-term deposit account with a local bank for at least US\$300,000, purchase real estate in the amount of US\$300,000, or purchase mortgage-free real estate combined with a three-year fixed-term deposit account. The accounts and the real estate must be in your personal name, fully funded (or titled), and free of mortgages or encumbrances.

You'll be granted a two-year provisional visa first, after which you will reapply and receive your permanent visa and *cedula* (national identity card). In five years, you can apply for Panamanian nationality.

Option 4: Forestry investor visa

The idea behind this visa is to produce and preserve the primary forests. You can apply as a large forestry investor and invest at least US\$80,000 in timber (plus US\$2,000 for each dependent) in an approved reforestation project that is at least five hectares or as a small forestry investor and invest at least US\$60,000. As a large forestry investor, you must apply for permanent residency immediately after your two-year renewable immigrant visa card expires. Small forestry investors can apply for permanent residency on their sixth year. (Prior to this, investors must stay in Panama on one-year renewable immigrant visas). Both small and large investors are eligible to apply for citizenship five years after their approval of permanent residency. This is a separate application process.

You can now use your IRA funds to invest in forestry projects in Panama and qualify for the forestry investor visas. (You can't qualify for a resident visa if you use IRA funds to invest in other types of Panama real estate, because the property must be owned by an IRA-owned LLC—not in your personal name. See "Finance and investment opportunities.")

Option 5: Investor visa

If you establish a business in Panama and invest at least US\$160,000 and hire at least five Panamanian employees, you can apply for the investor visa. After two years, you will be granted renewal with the right to be issued a national identification, or cedula. After five years you can apply for Panamanian nationality.

We recommend you buy the American Chamber of Commerce's *ABC's of Investing in Panama* and hire a reputable lawyer before establishing a business in Panama.

Option 6: Agricultural Business visa

This visa is new. The minimum investment is US\$60,000. You must be investing in an agricultural area which is approved by the Ministry of Agriculture.

Option 7: Tax Free Processing Zone Investor visa

You can obtain legal residency if you establish a business, have employees and rent property through a 10- or 20-year concession in one of the new tax-free zones, if you prove that you will operate an export business there.

Option 8: "Friendly Nations" visa

If you are from one of 48 nations deemed to be "friendly" with Panama, your best residency options will probably be the "Friendly Nations" program, introduced in 2012. The new program renders the others listed above obsolete. The only exception would be the *pensionado* program.

Moving with children

Your kids will never be bored in Panama. With such mountain activities as hiking, whitewater rafting, and rainforest exploring, to beach activities like surfing and snorkeling, Panama offers a wealth of outdoor and cultural activities.

Panama provides many educational opportunities, as well. Your children can learn from the engineering man-made wonder of the Panama Canal and visit the Miraflores Locks with its multi-media exhibitions...or learn about the Spanish conquest along its forts around Panama City and Portobelo...or about the history and development of Latin America including its numerous pirate vs. *conquistadores* battles...about historical trade routes for the transfer of Spanish treasures from the Pacific Coast bound for Spain. You can take a day trip into the rainforest...a jungle boat along Lake Gatun...or visit an Emberá village. Family friendly hikes through the Soberania Park are also good day trips. You can even get a science lecture straight from the Smithsonian at the facility on Barro Colorado (Tuesdays at noon).

In addition, Panama is very family oriented, and children are welcome most anywhere. There are playgrounds in most neighborhoods and often hotels provide children's activities or play areas.

Education options include International, British, American, and French Schools.

For more on the education system in Panama, see "Language and education."

We also recommend you and your children learn Spanish if you decide to move to Panama. Knowing the language will serve you well. See "Language and education" for a list of good Spanish-language schools.

Moving with pets

Panama welcomes pets. As long as your pet has been properly vaccinated, sanitized, and documented, you shouldn't encounter any problems with Panama's Immigration and Health officials.

Your veterinarian should prepare a standard International Health Certificate no more than 10 days before your departure. It must indicate the pet's name, breed, and your name and address. It must show that your pet is free of parasites and in good health. It should also include a recent list of inoculations including the manufacturer and batch number.

You'll also need a completed import form, available from the airport's health or quarantine department. The Airport Health Department will review your papers and inspect your pet. If it is quarantined, you'll be charged US\$7 a day. Home quarantines are sometimes available at a charge of US\$130.

Once here, your pet can enjoy all the usual pet products found at home. The Melo Pet Centers located in Paitilla, Obarrio, El Dorado, Los Pueblos, and Rio Abajo, and Animals and Pets, located in Costa del Este, Via España, and Los Pueblos, carry specialty items.

You can also find good veterinarians just about anywhere in Panama. Ask around for reputable ones in your area. Consultations are inexpensive; prices start at US\$7.

Exotic pets require further documents

Since Panama has many beautiful and exotic birds and reptiles, protecting them is a national priority. If you own an exotic pet, Panama wants to protect it, too. After your veterinarian has completed the sanitation certificate, you must obtain approval from CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora). Check out www.cites.org for further details.

After that, permission to bring your pet into Panama rests with Panama's ANAM agency. Send a letter of request to the Director de Patrimonio Nacional, Autoridad Nacional del Ambiente (ANAM), *tel.* (507) 500-0855. The letter must include your pet's name, species, age, country of origin, and sanitation certificate. Include the CITES authorization. ANAM will provide an Import Authorization. Send it to the Departamento de Cuarentena Agropecuaria, Ministerio de Desarrollo Agropecuario (MIDA); *tel.* (507) 266-2303.

Birds and other exotic pets may need import licenses which must be issued before they arrive in Panama.

Cost of living

The average cost of living in Panama is much lower than in other countries. Medical assistance is generally less than US\$40. You can hire both a full-time maid and driver for just US\$700 a month. The driver often runs errands or acts as an escort if you have kids. The maid cleans and cooks. A gardener is less than US\$15 a day.

Although prices for real estate are rising throughout Panama, housing is still relatively inexpensive compared to the U.S. You can rent a nice apartment in Panama City from US\$650 a month—and a really nice place with an amazing view is about US\$1,500 a month.

You can find just about anything you want in grocery stores in Panama, but you'll save big if you shop in the open markets. Many vendors compete here and prices are rock bottom. A family of four can buy all their groceries for about US\$200 a week.

As for utilities, water and gas are relatively cheap. Electricity, however, is more expensive. You can pay up to US\$200 a month, depending on your number of appliances and how much you use air conditioning and electronics.

A word of advice: Use a power strip and turn everything off completely when not in use; remote-controlled devices guzzle power even when "off." You'll save a lot. In Panama's interior towns electricity levels tend to fluctuate. A surge protector comes in handy.

Shopping—supermarkets, open-air markets, wholesale

Panama has plenty of American-style supermarkets, so you can buy anything you might need. In Panama City, El Rey and Riba Smith are large with well-trained employees. Riba Smith has the most American products. El Rey has a store in every neighborhood and in the city of David.

Foreigners can also shop in the wholesale market in the Colón Free Zone, although prices for daily products here are on par with those outside free zones. Other duty-free shops include the Panama Canal Village in Colón, the border towns near Costa Rica, and the Flamenco Island store on the Amador Causeway. Traditional arts and crafts are sold

throughout Panama. All the wares are handmade and the proceeds from the sales go to the families that made them; they contribute to their community as a whole.

Remember, the Panama hats you see for sale in the tourist areas of Panama actually originated in Ecuador. They were named "Panama" because so many workers on the Panama Canal wore them to shade the sun. Panama does have its own kind of hat, called the *sombrero pintado*. They are traditionally woven with different patterns to indicate the region where they were made.

Ways to meet other expats

Websites and embassies both provide opportunities to meet other foreigners in Panama. The main expatriate communities are located in Panama City, Boquete, and Bocas del Toro, and you'll often see advertisements for gatherings in these locations. In Boquete, for example, expats meet monthly at the Panamonte Hotel. Internet sites like www.expatsinpanama.com and www.chiriquichatter.net also organize gatherings between expats. Or contact the American Society and the American Chamber of Commerce.

In Panama you'll find several expats' associations:

- The American Society of Panama, website: www.amsoc.org;
- The Canadian Association, website: www.canadianassociationofpanama.com;
- British Aid Society (check with the British Embassy in Panama, http://ukinpanama.fco.gov.uk/en/, for contact details).

St. Mary's Parish offers Catholic Mass in English every Sunday at 10:45 a.m. Call Rev. John Carney at (507) 228-0036 for more details. The Coronado Bible Church (www.CoronadoBibleChurch.org) is another option for those expats living in the Coronado area; meetings are organized inside the Coronado Golf & Beach Resort (Chame conference room upstairs) every Sunday morning at 10:30.

The Theater Guild of Ancon (<u>www.anconguild.com</u>) was started in 1950 with the mission of developing English-language theater in Panama. It's a voluntary association providing a training ground for anybody interested in the performing arts.

There are a number of golfing clubs, health clubs, even sport fishing and sailing clubs for expats. Check out local marinas and health clubs for details.

What to bring

Besides your kids and your pets, you really don't need to bring much with you to Panama. First off, moving to Panama with your household goods is complicated and expensive. We recommend that you take advantage of low prices in Panama and buy new furniture and your household goods after you've arrived.

Try Furniture City in Panama City (Ave. Fernandez de Cordoba, *tel.* 507-229-3766) and David; order from the catalogue if you don't see anything on the floor. Banyan Leaf in Panama City (Calle 50, Galeria 50, *tel.* 507-265-2335) has a good selection of Western furniture and accessories.

When shopping for appliances, visit Panafoto, Raenco, and Rodelag. PriceSmart (Costco) in Panama City and David occasionally has good prices. Don't waste money buying high-tech appliances. You are certain to experience power shortages, and the more high-tech the appliance, the harder it is to fix. Doit Center and Novey Center (tel. 507-300-9200) are also in Panama City.

We recommend you buy clothes in the States; prices are lower there. The Multicentro Mall, MultiPlaza, and Felix B. Maduro have American brands, but they are more expensive than at home. Albrook Mall offers some discounts.

When you pack, remember where you are going. Panama has a tropical climate. Temperatures and relative humidity are high and there is little variation during a season or in a day. If your new home is situated on the Pacific side of the isthmus, you'll find cooler degrees than those on the Caribbean. Temperatures can also be cool in the highlands. Rainfall is usually heavier on Panama's Caribbean side than on its Pacific side. Panama City gets half the rain of Colón.

Shipping options

Panama is a convenient port and it's easy to ship to, from the U.S., a 40-foot container will fit just about everything you might need. It can literally be packed in front of your house at home and unpacked in front of your house in Panama.

Remember: There are no taxes on the importation your household goods if you have at least applied for residency in Panama. Taxes do apply when shipping cars. Also, you'll need to hire a customs broker to unpack and arrange shipping to your home. Their fees are reasonable.

Customs

Once you've determined which visa is appropriate for you, you'll likely find that you can enjoy import benefits.

Import regulations by Panama customs

Imports

Tobacco: 500 cigarettes or 500 grams of tobacco;

Alcohol: 3 bottles;

Perfume: for personal use;

Gifts: up to US\$2,000 or valued at 50 Panamanian balboas (if delivered by mail in to

Panama).

Export regulations by Panama customs

Prohibited exports:

Firearms, ammunitions, and weapons;

Pharmaceuticals and medicine;

Psychotropic drugs;

Live animals;

Toxic waste;

Fertilizer.

HOUSING CONSIDERATIONS

Panama City has become a complicated housing market, both for sales and for rentals. In the past few years, dozens of high-rise condo towers have been added to the city's skyline. Apartments in these new, full-amenity buildings can cost as much as US\$3,500 per square meter. Don't pay it.

If you want to purchase an apartment in Panama City today, shop for an older unit you can renovate. This can cost you half as much as a new apartment, even including the cost of the renovation.

It's possible to rent for less than US\$700 a month if you shop through the local newspaper classifieds. It's easier to find a rental through a real estate agent (most agents handle both sales and rentals), but agents don't want to bother with the lower-priced apartments. If you go through an agent, expect to spend US\$800 per month or more (as much as US\$10,000 per month if you want super-high end, which exists).

Outside Panama City, the markets for both sales and rentals are less developed, and you'll have to put in time on the ground to find what you want.

Remember, this is still a developing market...and an unregulated one. Verify history of ownership (that is, title) independently when buying, especially when buying outside Panama City. Don't take the agent's or the developer's word that the title is clean or that rights of possession is the same as title. It isn't. Panama also offers title insurance.

Hire your own attorney to protect your interests. Don't use the developer's or the agent's attorney (no matter how strongly he urges you to).

Understand that, again, especially outside Panama City, some agents operate on what's called a net-commission basis. They don't charge a disclosed percentage. Instead, they add some undisclosed amount to the price you pay so that you don't know how much commission you're paying.

Let's take a look around the country. Once you've figured out the quirks of buying in Panama, you can comfortably find just about any home you are looking for here. Whether it's a luxury apartment in Panama City, a property with mountain views, or a sprawling beachfront lot, Panama offers it all.

Finding the Right Place

Miles and miles of coastline and mountains—affordable prices from sea to shining sea.

Dream of warm ocean water gently caressing your feet? Want to peruse the endless azure sea from the soft sand of your own beachfront property? You might be surprised at the quantity of available beach real estate...and how affordable your slice of oceanfront paradise can be.

Panama has miles and miles of coastline...but a small population. Some of the most beautiful beachfront property is undeveloped and virtually uninhabited. You won't see another person here during the week. And even on weekends, most beaches in Panama are rarely crowded. Tourism is still in its infancy.

Panama's mountain regions also offer enticing properties at affordable prices. You'll find land with views of the Pacific or Caribbean, near waterfalls, rivers, and cloud forests, for less than US\$50,000.

Look West to Panama's Caribbean and Chiriqui Coasts

If you are interested in buying beach lots in Panama, look to the west. You'll find some of your best deals here...just a few hours' drive of Panama City. The beaches are pristine, the scuba diving and sport fishing unprecedented. And there is still plenty of tempting beachfront real estate available here in the south, where you can find ocean-view condos for less than US\$100,000.

We saw a listing for a 2,946-square-meter lot for sale within walking distance of the beautiful beach outside San Carlos, an hour from Panama City, for US\$26,000. An oceanfront *cabaña* is for sale in Chiriqui for US\$42,900. Not big enough? A 155-hectare island off the coast of Chiriqui is for sale for US\$7.3 million.

Too quiet? Consider Bocas del Toro, a well-known hotspot to buy beach property on the Atlantic Coast. There is no question that visiting Bocas is an excellent way to pass some vacation time, but buying beachfront real estate there is no longer the bargain it once was. Nevertheless, there are still good deals to be had in Bocas and other places along the Atlantic Coast...you will just have to look a little harder to find them. We saw everything from a hotel with a marina on Ventura Island for US\$1.2 million to a titled lot on Isla Colón for US\$85,000.

Keep in mind that title issues in some parts of Panama's Caribbean Coast are slightly more complicated. You'll need to proceed with extreme caution when buying beachfront real estate there. See "The lowdown on buying in Panama" for details.

Inside Panama (Contact person: **Michael Vuytowecz**, e-mail: mike@ipreinfo.com, tel. 507-6756-5850) real estate agency lists an 830-acre oceanfront property near Boca Chica, in Chiriquí province, with two peninsulas, nine kilometers of of inlet coastline, and abundant natural wildlife for US\$9 million.

And don't forget the classifieds. The monthly paper *Bocas Breeze* listed the following properties:

- Oceanview lot on the beautiful Isla Solarte, a 10-minute boat ride from Bocas, for US\$22,000:
- Titled two-bedroom hose in Bocas, with water views of the bay, for US\$168,000;
- Titled waterfront property in Bocas, with water concession, for US\$227,000;

More interesting options are available as well. We saw a cruising sailboat for sale in Bocas for US\$29,500. You couldn't ask for better climate to consider such an option.

...or head south toward Panama's Pacific coastline

Because much of Panama Pacific Coast has yet to be developed, you'll find some of your best options and bargain prices on Panama's southern shores. If you are serious about the surf, consider Veraguas. The beaches, surfing, and fishing here have long attracted travelers.

In Veraguas you can buy 166 hectares of titled land covered with trees for US\$498,000. A 490-hectare property with beachfront is on the market for US\$9.5 million. A 39.6-hectare ranch close to Santa Fé is listed at US\$390,000. **Azuero Visitor Center** (Contact person: **Michael Martinez**, e-mail: panamagoldcoast@yahoo.com; tel.507-6613-5886) lists a titled 20-acre riverfront farm in Santa Fe, ideal for rafting, for US\$69,000.

We think some of the best deals can be found on the Azuero Peninsula, a beautiful and still relatively untouched part of Panama. A six-bedroom, two-and-a-half bathroom beachhouse on a 500-square-meter piece of land in Los Santos' capital of Las Tablas is on the market for US\$390,000. A 700-square-meter property close to the beach is US\$25,000.

Eight hectares of oceanfront property around Pedasí is US\$1.2 million. Also in Pedasí is a 76-hectare farm with ocean views for US\$2.7 million. An ocean-view residential development in Pedasí's gated community of Andromeda is US\$146,000.

Other properties in Los Santos include a 400-square meter titled lot for US\$15,000. A small two-bedroom, one-bathroom house, a few meters from the Pacific is for sale for US\$99,000.

A warning about buying beachfront property

You must be very careful when buying beachfront property in Panama. Article 255 of Panama's Constitution considers beaches, marine bottom, and territorial waters public domain and not subject to title of private ownership. You can own beachfront property that is 22 meters from the high tide line. Do your research carefully and hire a reputable lawyer. See "Resources" (page 203) for a list of recommended lawyers in Panama. See "The lowdown on buying in Panama" (page 103) for details about restrictions on buying in Panama.

Mountain properties

Let's look first in the Chiriquí region, historically the most popular among expats and retirees. Life in Panama's countryside entices many foreigners. Cool breezes and mountain valleys create an eternal spring-like climate.

Boquete, in Chiriquí province, is the most popular location to date. It's not hard to see why. Mountain breezes, laid-back lifestyle, and beautiful vistas are only a few of its attributes.

Prices here are higher than in other places in Panama, and continue to rise. Still, if you have the time, you can often find good deals. We saw one retirement home with two bedrooms and one bathroom priced to sell at US\$210,000. **Michael Vuytowecz** (e-mail: mike@ipreinfo.com) from **Inside Panama** lists a gorgeous Spanish contemporary house in the Cielo Paraiso gated community of Boquete; the house has four bedrooms, 3.5 bathrooms, a large open living, dining, and kitchen area, a three-car garage, and huge private outdoor terrace. The asking price is US\$885,000. **Inside Panama** also lists a pristine 7.2-hectare lot, lush with vegetation, with easy access by car from the center of Boquete Town, for US\$575,000. A 160-square meter home in the mountains is listed on the Encuentra24 website (www.encuentra24.com, in Spanish) for US\$89,900. A 120-square-meter apartment in Boquete is US\$159,000.

Prices go up from there. A three-bedroom, three-bathroom condominium in Boquete is on the market for US\$164,000. A newly built and furnished 1,400-square-meter home with three bedrooms, four bathrooms, and fabulous mountain views is US\$345,000. A furnished, three-bedroom house in Boquete Country Club is on the market for US\$294,000. A three-bedroom, three-and-a-half bathroom house in the Chiriquí Mountains with mountain views is on the market for US\$310,000. A 64-hectare lot is going for US\$3.2 million.

Outside Boquete you'll find better deals—and sometimes even better views. You can buy a 3.9-hectare lot in Volcán for US\$60,000. Two beautiful 8,430 square-meter lots in a picturesque mountain valley in Volcán are advertised by **Inside Panama** for a price of US\$252,900.

A two-bedroom one-bathroom house with dramatic views of Volcán Barú is on the market for US\$219,000. A 4,160-square-meter lot close to David is US\$58,000.

If the prices are too high in Chiriquí, consider other comparable locations around Panama.

In Coclé province's Penonomé, you can find a 2.8-hectare ranch for US\$250,000. A farm with 4.5 hectares and beautiful views is on the market here for US\$540,000. A 17.5-hectare lot is on sale for US\$875,000. A beautiful 18-hectare farm in Toabre is US\$90,000. A 65.3-hectare farm with a river 4.5 kilometers from the Interamericana is on sale for US\$399,000 in nearby Cermeño de Penonome. Also in Coclé, a 4.5-hectare farm in Antón, 10 minutes from Penonomé, is on the market for US\$180,000

El Valle lies at the foot of an extinct volcano near waterfalls and flowing rivers. A popular weekend destination, you can find some very attractive properties here. A 92-hectare farm with ocean and mountain views is US\$750,000. A new country home with three bedrooms and three and a half bathrooms on 3,000 square meters is US\$550,000. A newly-built, single-family home on half an acre with beautiful views, two bedrooms, and two bathrooms can be found for US\$235,000. A three-hectare lot with mountain and ocean views tucked in the mountains surrounding El Valle is US\$150,000. A 2,214-square-meter lot in Las Nubes, El Valle is US\$99,615.

Herrera is Panama's farming capital and the home of Panama's famous hats. Two houses in its capital, Chitré, with eight bedrooms and four bathrooms between them are on the market for US\$155,000 in total.

If you love orchids, waterfalls, and cloud forests, there's no better place than Santa Fé. You can buy a 21-hectare property in the mountain/river property of River Cross here for US\$472,500.

Living in Panama City

A long list of luxurious high-rise properties is available in Panama City. Many offer state-of-the-art modern facilities and are sold out well before the construction is finished. Countless other attractive properties are available for far less. You may have to dig a bit deeper to find them, but they do exist.

Following are some properties for sale in Panama City's attractive neighborhoods of San Francisco, Bella Vista, Marbella, and El Cangrejo. See "Prime living locations" (page 113) for more listings.

- A one-bedroom, one-bathroom 70-square-meter apartment in San Francisco; US\$129,000
- A 194-square-meter loft with a view of the bay in San Francisco; US\$285,000
- A three-bedroom, 3.5-bathroom apartment with one parking space and access to a pool, gym, and BBQ area in San Francisco; US\$245,000
- A 12-year-old 220-square-meter apartment in Marbella for US\$300,000;
- A three-bedroom, three-bathroom apartment with two parking spaces and a balcony in El Cangrejo; US\$179,000
- A two-bedroom, two-bathroom apartment of 145 square meters in Punta Paitilla for US\$185,000;
- A three-room, three-bathroom apartment with 176 square meters is on sale for US\$230,000.
- A furnished two-bedroom, two-bathroom apartment in Bella Vista for US\$172,000;
- **Inside Panama** (contact **Mike Vuytowecz** by e-mail at mike@ipreinfo.com, tel. 507-6756-5850) lists a luxury penthouse on Avenida Balboa, with four bedrooms and 4.5 bathrooms and spa/Jacuzzi bathroom for US\$849,000.
- **Inside Panama** also advertises a 224-square-meter, like-new apartment in the heart of Panama City, close to Multiplaza mall, for US\$380,000.

Outside Panama City, prices drop considerably. A two-bedroom and a one-a-half bathroom apartment in Portobelo, a sleepy fishing village outside Panama City known for its historic forts and scuba diving, are on the market for US\$170,000 each.

Incentives in Casco Viejo

Casco Viejo is fast becoming a favorite spot for residents. Real estate investors are taking advantage of the government-created incentives offered here. According to Law No. 9 of Aug. 27, 1997, incentives include the following:

- Any income you make from the sale or rental of your property is exempt from income tax for 10 years;
- You can deduct 100% of the costs of the renovation from your income tax;
- You won't have to pay any duties on any materials you import to complete the renovation;
- You won't have to pay any property taxes for 30 years;
- You won't have to pay transfer taxes if the property costs US\$50,000 or more.

In Casco Viejo the following properties are listed for sale:

- A 325 square-meter furnished penthouse with a pool for US\$750,000;
- An elegantly furnished, 72-square-meter one-bedroom apartment for US\$194,000;
- A 75-square-meter house in the Terraplen neighborhood with sweeping views of the city; US\$159,000.

Renting

If you're not quite ready to take the plunge, we suggest you rent before you buy. Rentals in Panama work very much like rentals in the U.S. and Canada. The tenant and landlord sign a bilateral contract, and the tenant gives the landlord a security deposit.

Short-term, full-service rentals are popular among those who plan to stay in Panama for one to six months, but don't want to pay hotel prices. They are usually furnished and sometimes include maid service.

Short-term rentals

If you're not going to stay in Panama long—but too long to stay in a hotel—it is worth looking around for a short-term rental. One short-term rental with three bedrooms and two bathrooms in Panama City's Bella Vista was listed for US\$2,875. Note: while short-term rentals are certainly still available, Panama has at times cracked down on unregulated short-term rentals.

If you'd rather rent by the beach, short and long-term rentals are available through **Inside Panama** (contact **Mike Vuytowecz** by e-mail at mike@ipreinfo.com, tel. 507-6756-5850). Ask local hotels for short-term rental rates as well. Daily rates at Hotel Lula (www.lulabb.com) are only US\$55 for a double room, which makes for low weekly and monthly rates as well.

Long-term rentals

You'll save money in the long run if you can take a long-term lease instead of a short one. A ground-floor unit in Bocas del Toro is available for US\$1,100 a month, but it'll cost you US\$750 a week.

Long-term rentals in Bocas del Toro include a fully furnished, two-bedroom apartment near the ocean for US\$1250 a month. One-bedroom apartments next to the beach in Bocas del Toro rents for US\$1,000 a month. New one- and two-bedroom ocean-view condos are also available long term for US\$700 and US\$1,000 a month.

You can rent short- or long-term accommodation through **Inside Panama** (contact **Mike Vuytowecz** by e-mail at mike@ipreinfo.com, tel. 507-6756-5850).

Renting in Panama City

The best idea at first can be to rent in Panama City for a while, even if Panama City isn't your ultimate relocation destination in the country. The capital is a good place to base yourself while you get familiar with Panama in general. You can travel easily to all parts of the country from here.

Unfortunately, however, renting an apartment in Panama City is no easy thing in the current market. Publisher Kathleen Peddicord shopped for a rental five-and-a-half years ago, when she relocated her family to Panama City from Paris. Here's what she wrote at the time:

"Here's what I can tell you about apartment rentals in Panama City after three weeks of upclose scrutiny: Yes, as some continue to maintain, you can rent for as little as US\$500 or US\$600 a month...if you don't care about clean, safe, or furnished. For that price, you'll be in a neighborhood you're not going to enjoy, in a tiny apartment you're not going to like. We've increased our budget twice and still haven't found much that seems suitable.

"Furthermore, you've got to be prepared to fight for what you want. Twice during our search we were gazumped. At least that's what you'd call it in the UK. I don't know what they call it here. Bottom line, twice, overnight, someone else offered the owners of apartments we thought we'd contracted to rent more money. And, both times, the owners accepted the offers. We had, again and then again, to relaunch our search.

"My best advice is to wait until you're on the ground. You can't navigate this market long-distance. You need to be able to act quickly."

The Panama City market has cooled since the time when Kathleen was shopping for a rental. We believe the situation will continue to cool as more new condos come online. As that happens, prices will fall, and competition for particular units will diminish.

If you must rent now, sign the shortest-term lease possible, so as not to commit yourself to current market rent levels any longer more than you must.

What price to rent in Panama City?

You can find apartments in this city for as low as US\$400 or US\$500 a month...or you can pay 10 times as much.

Realistically, you aren't going to want to live in the US\$400-a-month place. But, if you'd like to satisfy your curiosity, these kinds of places are sourced through local advertising...not through an agent or a broker. You'll need to go direct to the owner, which means you'll need to speak Spanish.

And you'll need to resign yourself to living outside the zone—that is, on the fringes of the city in neighborhoods where you may not feel comfortable.

What's the cheapest to rent city-center in non-local-level digs? You might find a decent-enough studio in a good location for US\$600 to US\$700 a month. A newer, bigger, renovated place is going to cost you US\$1,500+ a month.

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Encuentra24 (www.encuentra24.com, in Spanish) lists both short and long-term rentals. Following are some listings available right now. Prices seem high, but the locations are prime. Also you can almost always find good deals in the weekly classifieds. Prices are per month:

- A two-bedroom, two-bathroom, 90-square-meter apartment in San Francisco; US\$1,200
- A three-bedroom, two-bathroom apartment in Via Porras; US\$1,000
- A 230-square-meter, three-bedroom, two-and-a-half-bathroom house sitting on 220 square meters of land in Albrook; US\$2,500
- A 135-square-meter apartment with two bedrooms and two bathrooms in El Cangrejo; US\$1,300
- A two-bedroom, two-bathroom apartment in Punta Paitilla with sweeping views of the ocean; US\$1,500
- Apartment with three bedrooms and two bathrooms in Edison Park; US\$1,200
- A three-bedroom, three-and-a-half bathroom apartment with maid's quarters in Costa del Este; US\$3,000
- Executive three-bedroom, 350-square-meter apartment in Howard; US\$4,800
- An new oceanfront condo on Avenida Balboa with two bedrooms and two bathrooms; US\$2,400
- A brand-new penthouse in San Francisco with three bedrooms and two-and-a-half bathrooms; US\$3,000
- A 495-square-meter house in El Carmen for US\$3,400
- A two-level house with four bedrooms and two-and-a half bathrooms in Condado del Rey; US\$2,000
- A spectacular furnished one-bedroom apartment on Balboa Avenue; US\$1,800
- A three-bedroom penthouse in San Francisco with views of the city; US\$1,550
- A six-bedroom, five-bathroom house in the residential area of Betania; US\$4,500
- A furnished two-bedroom, two-bathroom apartment in Paitilla; \$2,200

- A new three-bedroom, three-bathroom apartment in Obarrio; US\$1,800
- A two-bedroom, two-bathroom furnished apartment in San Francisco; US\$1,200
- A five-bedroom, four-bathroom house in Coronado, sitting on a 4,300-square-meter lot; US\$2,500

Inside Panama (contact **Mike Vuytowecz** by e-mail at mike@ipreinfo.com, tel. 507-6756-5850) lists a one-bedroom beachfront condo for US\$140/day. The condo features a spacious master bedroom with bathroom and walk-in closet, comfortable living and dining room, open kitchen with granite countertops, stove, microwave, fridge, fully equipped kitchen with all the conveniences of home; included is a laundry area with washer and dryer.

Renting in Casco Viejo

According to insiders, right now the market seems to keep itself strong. One-bedrooms range between US\$1,200 to US\$1,800 depending on location, views, etc. Two-bedrooms are more around the US\$2,000. If they have ocean views, roof terraces, and are considered more top of the line, I've seen rentals up to US\$2,500. Of course, there are those asking for US\$3,000 but these are really special properties with a niche market.

Los Cuatro Tulipanes (<u>www.LosCuatroTulipanes.com</u>) offers upscale short-term rentals; prices range from a one-bedroom loft for US\$140 a day to a two-bedroom suite for US\$235 a day.

Leasing with an option to buy

Most sellers really want to sell their property outright and not hang onto it through a leasing procedure. That said, you can sometimes find leases with purchase options if you look hard enough. Be sure the lease contract is registered with the Ministerio de Vivienda (Ministry of Housing).

The lowdown on buying in Panama

Acquiring property in Panama is relatively simple. Foreigners in Panama enjoy the same property ownership rights as Panamanian citizens. Still, proceed cautiously when eyeing real estate for sale in Panama. Invest with your eyes wide open. Do your research. Dot your i's and cross your t's. Ask around. Talk to the neighbors and—if possible—other expats who have purchased property in the area. Above all, discuss the purchase process with a lawyer. You'll likely encounter few obstacles.

For foreign buyers in Panama, the following restrictions apply:

- Foreign ownership of property within 10 kilometers of an international border is forbidden.
- Untitled land must be owned by a citizen of Panama for a minimum of two years before it can be sold on to a foreign buyer. After the two-year period, the land can be titled and resold without restriction. (Remember: Some land can never be titled.)
- Foreign ownership of waterfront and island property is limited. Tourism zones offer the fewest restrictions. (There are exceptions—there is no restriction on foreign ownership on Contadora in the Pearl Islands.) The good news is that the government of Panama changed its law that forbade foreign ownership of island territory a few years ago. Islands are now available for foreign purchase.

Always check with a good lawyer before you begin the purchase process. (See "Resources" on page 203 for a list of reputable lawyers.)

Title property vs. rights of possession and everything in between

So you know that when it comes to buying property in Panama, foreigners have the same rights as Panamanians.

That said, there are two very different kinds of real estate in Panama: "titled property" and "right-of-possession property." Be sure you know the difference before you decide on a property in Panama. Here's what each means:

<u>Titled property</u>

This is your best bet. It means that title is easily confirmed in the Public Registry system, which maintains a record of all titled properties in Panama's nine provinces, and it's

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guaranteed by the country's Constitution. In addition, banks usually have no problem offering mortgage loans on these properties.

Purchasing titled property is the option most similar to buying property in the U.S. Once you've acquired the title, no one can dispute ownership.

Right-of-Possession (derecho posesorio) property

When purchasing a property of "rights of possession" you'll face more obstacles. "Rights of possession" is not titled land. You are using it at the sufferance of the government.

There are two kinds of right-of-possession properties.

1. Land located in national land, including beaches, beachfront, marine bottom, and islands up to 22 meters from the high tide mark toward inland. These belong to the nation and are subject to the jurisdiction to the Directorate General of the Surveyor of the Ministry of Economy and Finance. They can be divided into those subject to title and those subject to lease.

If you have your eye on a "right-of-possession" property that is subject to title, you must file a petition before the Directorate General of the Surveyor of the Ministry of Economy and Finance or before the Department of the Agrarian Reform of the Ministry of Agriculture of Panama. Fees can be as much as US\$5,000 and it can take up to two years.

If you are interested in a property that can only be leased, you'll have to apply for a concession of land from the government. Concession property is usually located in special coastal or protected areas where titles are generally not permitted. A concession is a long-term contract from the government granted for 10 to 20 years. You'll have to prove your activities on the land will be beneficial or positive for the community. In specially designated tourist zones the government may grant concessions for longer—up to 90 years.

Also, if you file a petition for a concession, the Natural Conservation Authority of Panama (ANAM) will conduct an environmental impact study, prepared by an authorized or certified biologist. If the land is less than one hectare, a report is only required if the land will be used for a restaurant or hotel business. The cost is between US\$350 and US\$3,000, depending on the type of project.

Possession rights—but not ownership rights—on concession property are granted to the possessor. Concession arrangements are guaranteed by the government. You aren't taking a major risk if you decide to embark on such an endeavor. Also, title insurance companies will usually offer insurance for concession property.

2. Agricultural land allocated and transferred to the Agrarian Reform of the Ministry of Agriculture for agricultural use. Occasionally you can convert such a property to fee simple title

by applying to the Agrarian Reform or Ministry of Economy and paying the purchase price to the government.

The bottom line

We recommend you steer clear of "right of possession" properties. They can be a real hassle...and you won't have clear rights to your desired property. Even if you are promised that your land will eventually be titled, just about any guarantee is unfounded. Don't buy anything unless it is properly titled. Believe us: You can find plenty of attractive properties beyond right-of-possession properties. Look hard before you decide on such a property. If you simply can't resist, be sure you have reliable counsel.

Places to avoid

It's next to impossible to invest in some parts of Panama. Steer clear of the San Blas region on the country's eastern coast, for example. The Kuna Indians live here and it's considered an independent, sovereign state separate from other parts of Panama, and it's subject to its own laws...which do not include allowing the purchase of property. One investor tried to partner with a Kuna to open a lodge in Kwadule and—although it did operate for a short while—the Kuna authorities eventually ordered it closed and it has since burned to the ground.

In addition, most of the property in and around Bocas del Toro and other agricultural areas is owned by the government. It's tough to obtain *titulo de propiedad* (formal titled ownership) for land in these areas.

About real estate agents

You should know that real estate agents in Panama are not certified like they are in the States. In fact, you'll often find dozens of agents representing the same property, each at a different price. If at all possible, buy land directly from the owner and avoid working with an agent. Always, always get yourself a good lawyer.

We have worked with several real estate agents who we've found to be trustworthy and straightforward. Turn to "Resources" for a list of recommended real estate agents and lawyers.

The purchase process

Steps for buying property in Panama

- 1. Find a reputable lawyer. He/she can do a complete title search, review maps, and certificates, verify that taxes and bills are paid up to date, and help you get title insurance once you've purchased your property.
- 2. Confirm the title. You'll need the current *escritura*, the public deed which states the owner and confirms the title, and the Ownership and Encumbrances Certificate (*Certificado de Registro Publico*) from the Public Registry. At this stage, any inconsistencies that might be associated with the property will be red-flagged. Your lawyer will make sure the documents are current. If the seller cannot provide the documents for you, ask for a property number, with which your lawyer can search for the information himself. The seller must also provide copies of survey plans which describe the measurements and locale. Make sure all documents are originals and have the official stamps.
- 3. Have your lawyer draw up or negotiate the "Promise to Buy-Sell Contract." This contract ensures the following:
 - The seller has enough time to pay the transfer tax;
 - The seller has time to gather the necessary paperwork;
 - The property is registered before the Public Registry of Panama;
 - The seller won't dispose of the property;
 - The buyer has time to make arrangements to finance the property;
 - The seller receives a down payment;
 - The date is set for the transfer of title.

A Promise to Buy-Sell Contract is especially important for apartments or houses that are still being built. With the contract, the seller cannot transfer the title until the job is complete and corresponding permits have been issued by authorities.

4. The final purchase and certificate and contract review. Your lawyer will draw up the purchase agreement as a public deed which you and the seller will sign at a notary public (high-ranking officials in Panama who neither represent the buyer nor seller). The notary only attests to the validity of the signatures, but does not confirm the title.

- 5. Making the payment. Probably the safest way to handle payment in Panama is to arrange a transfer of funds. Obtain a letter of payment from one of Panama's banks. See "Resources" for a list of banks that are used to dealing with foreigners. In the letter the bank promises to pay the seller the balance once the title is transferred. Banks in Panama do offer 30-year mortgages with low interest rates. Most developing countries can't offer this...but because Panama has no exchange rate risk and plenty of overseas funding, credit is readily available.
- 6. Record your purchase at the public registry. Don't skip this step. Your purchase is not final until you do so. If your attorney files directly at the main office in Panama City, it can take 10 days. Otherwise it takes a while longer. Next-day registrations are available at an additional fee.

How long does it take?

Although you can sometimes transfer the title of a property within two days, plan on three weeks to a month for the transfer to go through. The entire purchase process will probably take several months, depending on negotiations and/or mortgage and finance agreements.

The lowdown on purchase fees and taxes

First, the good news. The Panamanian government loves all the foreign capital that's coming into the country. It has boosted the economy considerably over the last few decades. To ensure continued foreign investment, the government has several incentives in place for foreign investors. For example, if you buy or build a new house in Panama, you won't pay property taxes for up to 20 years. You also don't pay taxes on foreign-earned income in Panama.

Paying real estate agents, and your transaction costs

Most land and homes are sold privately, without a real estate agent. If you find a property through an active agent, fees range from 3.5% to 5% of the selling price, and are paid by the seller.

Real estate agents get paid when the sale closes. Valid contracts are only in Spanish and once signed are legally binding documents. Make sure you understand every word before you sign.

Again—we can't say it enough!—be sure you have an attorney you trust to help you through the process.

The buyer must pay the expenses regarding title at the public registry. Closing costs typically amount to around 2% to 3% (including legal fees, registration, and notary fees).

Taxes you won't have to pay

If you invest at least US\$50,000 in tourist-related infrastructure in designated special tourism areas of Panama's interior, you can benefit from:

- A 20-year exemption on any import taxes due on materials, furniture, equipment, and vehicles;
- A 20-year exemption on real estate taxes for all assets of the enterprise;
- Exemption from any tax levied for the use of airports and piers;
- Accelerated depreciation for real estate assets of 10% per year.

The investment amount does not include the price of the land. The minimum investment requirement for projects in the metropolitan area is US\$300,000.

Taxes you can expect to pay

Income Tax: Personal income tax in Panama is based on a sliding scale, ranging from a minimum of 15% after the first US\$11,000 to a maximum rate of 25%. For temporary residents, the tax is only applied to Panamanian-sourced income.

Rental Income Tax: If you receive rental return on your property, you will be liable for income tax up to a maximum of 25% (on returns greater than US\$250,000). However, if you invest in a hotel or condo-hotel you may be exempt from income tax for 15 years. This does not apply to any private residence, only hotels and condo-hotels.

Transfer tax: Real estate transfer taxes in Panama are paid by the seller, and are 2% of either the updated registered value of the property or the sale price—whichever is higher.

The updated value is the registered value, plus 5% per annum of ownership. If the property is bought by a corporation, it is customary for the shares of the company to be sold, thus eliminating the need to pay transfer tax.

Property Tax: Properties with a registered value of US\$30,000 or lower do not pay property tax. Properties worth more than US\$30,000 are taxed as follows: 1.75% from US\$30,000 to US\$50,000; 1.95% from US\$50,000 to US\$75,000; and 2.1% over any property value above US\$75,000.

Capital Gains Tax: If you are not in the business of selling and buying property, you pay a flat 10% of the gross profit.

Construction and improvements: Various property tax exemptions are in place, ranging from 5 to 20 years. If you buy resale, the remaining exemption time is yours.

On residential properties where the construction permit is issued after July 1st, 2009, the following exemptions will apply:

- Value up to US\$100,000: 15-year exemption
- Value from US\$100,000 to US\$250,000: 10-year exemption
- Value over US\$250,000: 5-year exemption.

The exemption is transferable during the exemption period to any new buyer. The land itself is not exempted, and is subject to property tax if its value is more than US\$30,000.

On commercial properties, the exemption for all properties—no matter the value—is granted for 10 years.

How to pay, from mortgages to IRA accounts

It's easiest to pay cash for any purchase in Panama. That said, Panama is also the easiest place in Latin America to arrange a mortgage. Some banks like BAC International Bank, Banco Cuzcatlan (Citibank), Banco General, BBVA Bank, and Scotia Bank, offer mortgages on residential properties for as much as 90% of the purchase price. Panama banks usually offer 30-year terms, unless 30 years takes you past 75 years old. (Sixty year olds can only obtain a 10-year mortgage, for example.)

Banks usually ask that you take out a life insurance policy for the amount of the loan endorsed to the bank, as well as a fire insurance policy endorsed to the bank. Bank commission is usually about 1% of the loan.

You'll need:

- An employment letter and copy of two pay slips;
- Copy of last three personal income tax statements;
- Two copies of your passport;
- Copy of bank account statement to verify sufficient personal assets;
- Copy of purchase and sale agreement;
- Credit references;
- An appraisal of the property, which usually costs anywhere from US\$150 to US\$1,000, depending on the size and location of the property
- To open a savings account from which payment for the loan will be made;
- To cover all legal expenses charged by the bank.

You can also use your IRA or 401k money to buy property in Panama. It's a little more complicated to purchase property this way, so be sure you contact a reputable asset management company who understands the process (Sovereign International Asset Management in Florida is one) to help you. Generally, you must prove that you are investing in a property for investment purposes and not for current use, as this is how the IRS wants you to use your retirement funds. You must use retirement funds for your down payment and the title must be in the name of the LLC you have to establish prior to the purchase. The LLC must be the beneficiary of the property. You cannot purchase the property from family members. You can take possession of the property upon retirement, and are taxed on the value of the property at that time. You can sell the property at any time.

Title insurance

It's a good idea to have title insurance in any country, and Panama is no different. There's no doubt that your property will be more secure if you insure it. When you are buying title insurance, make sure it includes problems both obvious and unforeseen. It should cover the following:

- Ownership details;
- Information on mortgages or liens;
- Information on land use and limitations, including rights of access;
- Transfer issues including those by corporations;
- Documentation issues or problems.

Developing land

Foreigners are welcome to develop real estate projects, although you'll have a lengthy approval process to work through when developing large properties. It can cost anywhere from US\$3,000 up to US\$50,000 to obtain permits and pay fees...and can sometimes take as long as several years, depending on the size and location of the project. Surveyors charge about US\$200 per hectare depending on the location and condition of the property. Environmental impact studies—a requirement for any development project—can cost you several thousand dollars for large projects.

If you decide to construct your own property, follow these rules:

- Find a reputable contractor. Ask around. Often other expats can make recommendations.
- Hire a translator.
- Use separate people for each job and don't buy into a total in-house package. If you use your own lawyer, architect, and builder—that are not related to each other—you are less likely to run into problems.
- Make sure you have a contract for every part of the construction process.

 Make sure your contract has time frames and penalties included. Go over the contract thoroughly with the contractor before you begin construction.

Holding structures (corporations, etc.)

You can easily purchase properties as a corporation in Panama. We saw a listing in the *Panama News* for a house and property owned by a Panamanian-registered corporation with all assets in Bocas del Toro for US\$275,000. The two-bedroom house is situated on a half-acre titled lot 200 meters from quiet Deep Creek beach.

The best thing about the corporation structure is that you can transfer your property to your heirs without the lengthy probate process that otherwise exists. (Although there are no longer inheritance taxes in Panama, taxes on gifts (*inter vivos*) of properties located in Panama are in effect. The rate depends on the specific relationship between the donor and the donee.)

The cons are the fees and set-up costs.

See "Finance" for further details about corporations.

Dos and don'ts of buying property in Panama

Do have land surveyed before you purchase it.

Do consult a reputable local attorney who can help you through the process.

Do conduct your transaction through a bank to ensure a secure transaction. There is no escrow in Panama.

Do make sure that you understand every word of any document written in Spanish.

Don't forget to record your purchase at the public registry.

PRIME LIVING LOCATIONS

There's a place for everyone in Panama...from coastal beachfront on quiet islands to bigcity living with fast-paced nightlife...you'll find the perfect location to suit your lifestyle. We've narrowed down your choices to seven towns that all offer some of the best living conditions, location, weather, and cultural opportunities for expats in Panama.

We start with Panama City, without a doubt the most cosmopolitan city of Central America. It offers all the amenities, convenience, and comfort you might ever need. Although Casco Viejo is situated within Panama City and has access to all it has to offer...it is a world unto itself. It reeks charmingly of past French, Spanish, and Caribbean influence.

Beyond the bustling metropolis of Panama City lie rolling hills, majestic mountains, and glorious beachfront. Boquete, a longtime favorite among expats and foreign retirees, offers a laid-back lifestyle, cool breezes, little traffic, and beautiful vistas. The white beaches of the Bocas del Toro archipelago lie north of Boquete on the Caribbean side of Panama.

The undiscovered mountain region of Santa Fe offers flowing rivers, waterfalls, and beautiful views. It's as nice as Boquete without all the foreigners.

Finally, for those of you who want the real deal—a typical Panama town with few foreigners, we look to the eastern side of the Azuero Peninsula to Pedasí and Las Tablas, two of the best-kept secrets in Panama.

Location 1: Downtown Panama City—city living at a small-town price

Panama City is the best...and the worst of big-city living. On the one hand, in Panama City you enjoy every amenity, convenience, and comfort you could want, including four big U.S.-style shopping malls, mega-grocery stores, wine shops, sushi bars, five-star restaurants, nightclubs, casinos, art galleries, and 12-screen movie theaters (showing first-run movies in English).

On the other hand, you've got to face the traffic, navigate the crowded, crumbling sidewalks, suffer through the noise and the car exhaust, and survive the sometimes suffocating heat and humidity.

Panama City is not for everyone. In fact, a lot of people are downright miserable here. You'll need to make this determination for yourself. The important thing to remember, however, is that Panama City is but one small part of Panama...and the rest of the country is a different place altogether.

In other words, don't come to Panama City, find it appalling, and decide Panama isn't for you. Panama may not be right for you, but don't make that determination based on a brief visit to the capital city.

On the other hand, if your Panama plans include a business agenda (that is, if you want to continue running a business in another country from a Panama base or if you want to start a new business here in this country), Panama City is where you'll most likely have to be based. It'd be a challenge, we'd say, to do business from the interior or the beach.

The skyline of Panama City has been transformed in the past decade to better resemble the Miami skyline than that of any Central American city you could name. Indeed, many have dubbed it the "Miami of the South." Dozens of high-rise office and apartment buildings have been built, and, as I write, many more are under construction.

All of which is the price you pay for 24-hour convenience shopping and Wi-Fi. If you can do without those things, you might want to think about settling elsewhere in the country.

The lay of the land

In spite of setbacks before and during Manuel Noriega's dictatorship, Panama City is by far the wealthiest city in Central America today. Modern Panama City sprawls 20 kilometers along the Pacific Coast from the Panama Canal to Panama Viejo. The colonial Casco Viejo lies on its southwestern side. Avenida Central begins in Casco Viejo and travels east past its cathedral to Parque Santa Ana and Plaza Cinco de Mayo, which bookend a pedestrian-only shopping street. The street continues, changing to Avenida Central and finally Via España at the financial and business district of the city. Another stretch of Avenida Central heads out of town and across the isthmus toward Colón. Panama City's other major road, Avenida Balboa, follows the curve of the bay to the eastern point of Punta Paitilla. It continues—also changing names—toward Panama Viejo.

Some sites worthy of visiting while in Panama City are the city center (watch out for heavy traffic, always), the Amador Causeway (walking, bike riding, ocean- and canal-ship views), great restaurants, casinos, and, of course, the Panama Canal and its museum. While Panama has a relatively low crime rate, there are a few areas to avoid, especially at night. Check with your hotel for advice before heading out on your own.

Climate

Panama City is at sea level and close to the equator, so the climate is warm and humid. Panama City's dry season runs from mid-December to mid-April. During the pleasant winter months there is little rainfall. It can get very hot in April and May. Dress light. Early mornings and evenings are good times to take your constitutional.

Cultural opportunities

The cultural diversity in Panama City opens up a world of opportunity to visitors and residents. The people who choose to live and work here are from Latin America, North America, the Caribbean, Asia, and Europe. The city's many ethnic groups have contributed to the variety of restaurants, dance clubs, museums, and galleries.

In addition, outdoor enthusiasts will relish life here: Every sport from hiking through tropical rainforests to surfing or scuba diving is easily accessible. The Soberania National Park, one of the world's great rainforests, is only 30 minutes from the city, and there are plenty of nature trails and bird watching opportunities. Metropolitan Park is located within the city limits and also offers top-notch bird watching opportunities. In addition, the Summit Golf Course is about 20 minutes from the city.

Bookshops in Panama City include the following: El Hombre de la Mancha, *Via España, tel.* (507) 263-6218; Exedra Books, *via España at Via Brasil, tel.* (507) 264-4252; and Libreria Argosy, *via Argentina, tel.* (507) 223-5344. The Earl S. Tupper Tropical Sciences Library is a good resource for conservation and biology.

Some notable museums in Panama City include the following: Museo del Sitio Panama Viejo, which has a history of the old city; the Museo-Antropologico Reina Torres de Arauz, which offers a display of Panama heritage; Museo Afro-Antillano with exhibits about the West Indian community; Museo de Arte Contemporaneo, which offers collections of Latin American artists; and the Museo de Ciencias Naturales and Museo de la Biodiversidad. The Mercado Nacional de Artesanias is a popular artisans' market.

The beaches of Playa Kobbe and Playa Veracruz are only minutes from the city. The black-sand beach of Playa Punta Chame is also nearby.

Nightlife and recreational opportunities

Panama City offers a sophisticated and high-end nightlife. People get dressed up and drop some cash for a good night out. You might start with drinks at 6 p.m. and end up dancing until dawn. Restaurants usually fill up at around 8 p.m. or 9 p.m.

You'll find the best nightlife in Casco Viejo, La Exposición, Bella Vista, and the Causeway. Bars in Casco Viejo are low-key and generally attract an older crowd. La Exposición is a good place to explore, with less-obvious trendy nightspots. Bella Vista has the chic Calle (Street) Uruguay, home to trendy bars and clubs favored by the rich and beautiful. The Isla Flamenco shopping center on the Causeway has everything from dance clubs to mellow drinking holes. Eurasia is a good restaurant and Il Boccalino and Taberna 21, two popular bars. Havana Rumba has good local musicians.

You'll find plenty of cinemas and casinos in the city. Panama City's modern cinemas show Hollywood movies with Spanish subtitles for about US\$5. Alhambra, Cinemark, and Kinomaxx are three favorites. Casinos, popular among locals, are located in the city's top hotels. Veneto is a glitzy option.

Live music and theater performances are also available. The Restaurante-Bar Tinajas offers traditional folk dancing. The Teatro Anita Villalaz, Teatro En Circulo, and Teatro Nacional are popular theater venues.

Panama City offers cultural and educational opportunities as well. The Latin Dance Company, near Via España, offers classes in salsa, merengue, even hip hop. The Language and International Relations Institute and Spanish Panama offer good Spanish-language courses.

Check out La Prensa newspaper for a list of cultural happenings in the city.

Daily life

Banks, ATMs, grocery stores...you'll find anything you need within a stone's throw in Panama City. Banco Nacional de Panama exchanges foreign currency. Internet cafés are everywhere—especially in the banking district and El Cangrejo. Evolution Net and Central Chat are two Internet cafés; the charge is usually US\$1 an hour. The medicine here is topnotch. Centro Medico Paitilla has well-trained physicians who speak English and Spanish.

The main post office is located in Calidonia, in front of the Don Bosco Church. Many hotels sell stamps and can mail letters for you. Unfortunately, international mail delivery is unreliable and most expats in the country arrange for a post office box in Miami through an international mail-forwarding service. Air Box Express, Air Facility, and Mail Boxes, Etc. send and receive mail. Air Box Express delivers mail and packages directly to your home. Mail Boxes, Etc. (yes, it's still called Mail Boxes, Etc., here in Panama, even though it goes by the UPS Store elsewhere) receives them at their location, where you pick them up. Most companies charge an annual fee, about US\$25, and may charge additionally by weight. Use an international package service such as DHL or FedEx to send documents to North America or Europe. Packages arrive within a day or two.

Cost of living

Although prices are higher in Panama City than anywhere else in the country, they are still lower than they are in North America and Europe. A dinner out, including wine, will run you about US\$30. Movies are about US\$5.

Housing options: The best neighborhoods to live in Panama City

Paitilla has long been Panama City's most exclusive neighborhood. Just a few minutes from the city's banking district, it has recreational parks, plenty of shopping, banks, post offices, and schools. Rentals here can range from about US\$800 for a one-bedroom apartment up to more than US\$2,500 for two- and three-bedroom apartments.

Current rentals in Paitilla include:

- A three-bedroom, four-bathroom executive apartment for US\$3,000;
- A 420-square-meter apartment for US\$2,800;
- An ocean-view, three-bedroom apartment with maid's quarters for US\$1,500;
- An unfurnished, 160-square-meter apartment for US\$1,300;
- Unfurnished older apartment for US\$900;
- A three-bedroom apartment with ocean view for US\$1,600;
- A two-bedroom, 140-square-meter apartment for US\$1,200;

• A 600-square meter apartment for US\$3,300.

Downtown's trendy Punta Paitilla—where impressive penthouses go for US\$900,000—has seen a dramatic price increase recently. Developers are heading to Punta Pacífica, a popular area with many new high-rise condos. Scout around if you decide you like the area. Sometimes you can find good deals. (I did see a two-bedroom, two-bathroom apartment with two parking spaces and a sea view in Punta Paitilla for US\$165,000.)

A four-bedroom apartment here with a view of the water is US\$425,000. New four-bedroom penthouses are as much as US\$830,000. Views here offer city vistas as well as panoramas out to Panama Bay, Pacific Ocean, even the Panama Canal and far-off Taboga Island. A penthouse loft here is priced at US\$280,000. Another apartment here with views is US\$390,000.

Bella Vista and La Cresta are within walking distance of the MultiCentro shopping mall and many restaurants and bars. I found a one-bedroom for rent here for US\$600. A two-bedroom, one-bathroom apartment here with an ocean view is on the market for US\$81,000. A two-bedroom, fully furnished apartment close to the park and the new Cinta Costera coastal highway is on the market for US\$167,000. A two-bedroom, two bathroom apartment on Avenida Cuba is US\$110,000.

Obarrio is a residential area with nice parks. A condo with a terrace, two bedrooms, and two bathrooms is on the market for US\$140,000. A four-bedroom place here is US\$360,000. A three-bedroom apartment with two parking spaces is US\$230,000. Betania is another well-established residential community; a two-bedroom rental here is US\$800.

Edison Park is also centrally located. Although too commercial for some people, you can often find nice places to live here. A two-bedroom apartment with a good view of the city is US\$155,000.

El Cangrejo is also central and near the banking district. It's a little more low-key than San Francisco, but has all the amenities including shopping centers, schools, pharmacies, and banks. You can rent a one-bedroom for US\$1,100 a month. As always, you can often find good deals if you dig a little. I saw a one-bedroom rental for US\$750 a month. A two-bedroom, three-bathroom apartment here with parking is on the market for US\$160,000. A new apartment with two bedrooms and two bathrooms is US\$162,000.

Getting Around

See page 19

Pluses and minuses compared with other prime living locations

There is no doubt that living in the city has its advantages, especially in Central America. Panama City offers everything from shopping malls and mega-grocery stores to five-star restaurants and 12-screen movie theaters. You can buy anything you want here. Reliable medical care is readily available.

If you live here, however, you will have to deal with Panama City's growing pains. Congestion, traffic, and construction are daily annoyances.

Location 2: Casco Viejo—colonial quaintness with big-city amenities

Casco Viejo, though technically part of Panama City, is a world unto itself and an entirely different living experience.

Casco Viejo is the oldest city on the Pacific Coast of the Americas and is situated at the western mouth of the Panama Canal on a peninsula jutting out into the Bay of Panama. Long a forgotten quarter, this treasure of a neighborhood was the cultural and political center of Panama City until the early part of this century. But its intricate labyrinth of streets was too narrow for the modern world, and its buildings lacked the shine of new money. The city spread east.

As Panama City grew and modernized, this historic district was left to decline...and it did. Then, in 1997, UNESCO listed Casco Viejo as a World Heritage Site, and the revitalization efforts began.

When the French made their (failed) attempt to build a canal across Panama in 1881, this is where they hung their hats. Their influence is obvious in the iron balconies and detailed facades. Look closely, though, and you'll see that there's more than French style at play here. The Spanish colonizers, too, left their mark, and all of this mixes with a Caribbean influence.

Paul Gauguin and, later, Graham Greene strolled on these brick-paved streets. Today, as the area remakes itself, you can understand why. Weekend afternoons the streets are filled with children playing soccer and riding their bicycles. Come dark, the grown-ups take over, and the neighborhood's many restaurants and night spots light up. Spanish music plays onto the streets from open windows, and neighbors bring their rocking chairs onto the sidewalks to chat and enjoy the breezes from the Bay of Panama. The energy of this place is palpable.

The lay of the land

The heart of Casco Viejo is Plaza de la Independencia, where Panama declared its independence from Colombia on November 3, 1903. Most of the notable sites are close to the Plaza. The Plaza de Francia, dedicated to the many laborers who were killed during the construction of the Panama Canal, lies at the southern tip of Casco Viejo. Paseo Las Bovedas travels along the top of the sea wall built to protect the city. A walk here gives a view of the ships entering the canal.

The popular parks of Parque Bolivar and Parque Herrera mark the northeast and northwest parts of Casco Viejo.

Climate

Like Panama City, Casco Viejo lies on Panama's Pacific side. Its dry season lasts from December to April.

Cultural opportunities

Most of Panama City's major historic sites are located in Casco Viejo and you won't lack for theaters and museums. Recently restored Teatro Nacional hosts various performances throughout the year. The Plaza de Francia is home to Teatro Anita Villalaz, the Instituto Nacional de Cultura, and upscale art galleries and restaurants.

The museums of Casco Viejo include the Museo de Arte Religioso Colonial located beside the ruins of the Iglesia y Convento de Santo Domingo; the Panama Canal Museum which is housed in a restored building that once was headquarters for the French Canal Company; and the local history museum, Museo de Historia de Panama.

Nightlife opportunities

Casco Viejo is becoming a popular night time destination, but most of the clientele here is older and less glamorous than those frequenting the nightclubs of Panama City's Bella Vista and the Causeway. Favorite restaurants include Manolo Caracol, said to be one of the best in the country.

Daily life

Unfortunately, Casco Viejo has the reputation as being one of the more dangerous parts of the city. While this is probably well-deserved, the massive restoration program in place here—as well as the area's chic restaurants and galleries—are notching up the clientele. Plus, patrolling police officers ride their bikes around town. Overall the area is increasingly safer.

Still, it is a good idea to be careful in Casco Viejo—especially after dark. Be sure you know where you are and where you are going. Some neighborhoods are (quite obviously) worse than others. Curundú, El Chorrillo and Santa Ana are reputedly high-crime areas. The end of the peninsula, southeast of the Iglesia de la Merced, is safest for travelers.

Housing options

Prices come in all ranges in this picturesque part of Panama City. It's considered the place to live right now, so expect prices to climb.

We saw listings for a one-bedroom colonial apartment for US\$260,000, a renovated one-bedroom apartment for US\$150,000, and a two-bedroom Art Deco apartment for US\$419,000.

Buying historic properties

Although technically you can buy a historic property just as easily as you can any property in Panama, keep in mind that with such a purchase comes some responsibility. Basically, follow these guidelines:

1. Take time to understand the design guidelines enforced by the Office of Historical Patrimony (Patrimonio Historico).

- 2. Once you've committed to a project, begin work immediately so that you follow the pace of the development in the area.
- 3. Look for ways to contribute to your new neighborhood. Remember that the restoration of Casco Viejo is a collaborative effort between investors, the government, and the neighborhood.

Where to live

The safest and most beautiful places to live in Casco Viejo are along the tip of its peninsula. As you move away from the tip, you can run into high-crime areas.

If you'd like to rent before you buy, you can find a beautiful two-bedroom, fully-furnished apartment overlooking Plaza Bolivar for US\$1,500 a month.

A three-bedroom renovated apartment with parking with beautiful view is on sale for US\$510,000. A fully furnished two-bedroom, two-bathroom penthouse is on the market for US\$750,000. A two-bedroom renovated apartment in a colonial house is US\$489,000 and has balconies overlooking the area. A much smaller apartment (108 square meters) in the same house is priced at US\$269,000.

Other listings include:

- A one-bedroom, 72-square-meter apartment; US\$194,000
- A 123-square-meter, one-bedroom house with a wrap-around balcony; US\$310,000
- A two-bedroom, 285-square-meter apartment with roof terrace; US\$625,000
- A three-bedroom, 193-square-meter building with parking; US\$425,000

A note on business opportunities:

Casco Viejo is an ideal location to start a tourist business. The area is a new find for investors...but it is developing quickly. Consider an investment in lodging, which is in particularly high demand. Even though Casco Viejo is historic, there aren't many options to accommodate visitors who want to stay there. As the area grows safer, rooms are certain to fill quickly. The area boasts a healthy demand for nightly rentals and 80% hotel occupancy. In addition, there's already enough traffic in and around Casco Viejo to support more bars or restaurants. Rents are low enough to enable a healthy profit.

If you decide to run your own business out of Casco Viejo, you'll have to dig to find inexpensive commercial space. We did see one listing for a 172-square-meter commercial space in the exclusive Plaza Herrera for sale for US\$550,000.

Getting around

As in Panama City proper, it's a good idea to use taxis or a driver. You can walk around the central part of Casco Viejo.

Pluses and compared with other prime living locations

Well, as we mentioned earlier, the areas surrounding Casco Viejo can be dangerous. You must pick your neighborhood carefully.

Still, there is no doubt that the pulse of Casco Viejo is like no other part of Panama. It's an exciting place to be. And, with police patrolling the area, it is possible to find a safe place to live.

Location 3—Boquete, from coffee to quetzal

The little mountain town of Boquete has been heralded by many as the world's top retirement haven. It is...and it isn't, depending on what's important to you. It's certainly the biggest, most established expatriate community in Panama...one of the biggest in the world. Walking the streets of Boquete, you hear more English than Spanish, and, as a friend put it recently, "most conversations have to do with cars and real estate...what they cost and how to make them pay."

Still, reliable English-speaking companionship and support has its appeal.

Recent gringo invasion aside, Boquete is a quaint place in a beautiful setting, with hills and wildflowers all around. Just 30 minutes from David, the capital of Panama's Chiriqui province and its airport hub, Boquete is nestled 1,200 meters up in Panama's most mountainous region. It's located at the opposite end of Panama from Panama City, not far from the border with Costa Rica. This location gives Boquete much of its quiet charm, but requires a little extra planning to make the trip.

Situated between the Caldera River, which lies to the east, and Barú Volcano to its west, Boquete offers outdoor enthusiasts birding, hiking, mountain biking, and white-water rafting. It's also noticeably cooler than Panama City, with fresher air and fewer honking car horns. The Panamanians refer to it as the "Valley of Flowers and Eternal Spring."

Boquete is also known for its coffee. Coffee beans are picked October through February, primarily by the Guaymi Indians, who come down from the mountains in traditional dress for the work.

Lay of the land

You'll turn off from the Pan American Highway at David toward Boquete. The drive is about 45 minutes, cooling off as you climb 3,000 feet above sea level. You'll see the Volcán Barú before you drop into the little valley of Boquete. Slow down and enjoy the fresh air.

The best way to see Boquete is on foot. The town's central area is only a few square blocks. The main Avenida Central travels along the western side of town and goes uphill past the church. You'll see the Parque de las Madres with fountains and a children's playground and there's an old railway and exhibition wagon leftover from when the train traveled here.

Other good routes include a drive from the large visitor center around the base of the volcano before returning to town via El Salto Road. Take a drive up to the Palo Alto coffeegrowing area or the Jaramillo areas before returning to town. Coffee plantations figure prominently in the area; Café Ruiz and Kotowa Coffee Estate offer tours. The gardens here are also noteworthy. Explore Mi Jardin es Su Jardin and el Explorador.

Climate

Boquete lies on Panama's northern Caribbean side, and the country's two seasons are especially evident here. Days generally start clear followed by late-afternoon rain. Although it can rain year-round, the dry season begins in January. Little rain falls during the months of February, March, September, and October. Temperatures are a comfortable high 60s to high 70s.

It can get cold in Boquete's mountains. If you plan to do any serious hiking or camping, bring an extra sweater.

Culture and recreation

There's no shortage of outdoor activity in and around Boquete. The Los Pozos de Caldera offer hot springs. Hiking trails wind up to Volcán Barú or inside the Sendero Los Quetzales. Canopy tours through the rainforest, birdwatching trips, coffee plantation tours, and boat or truck tours are all popular options. There's excellent white-water rafting around Boquete, and both rivers Rio Chiriquí and Rio Chiriquí Viejo offer everything from class IV and V rapids to quiet floats from Volcán Barú. Chiriquí River Rafting and Panama Rafters offer trips with English-speaking guides.

Boquete is also a good place to learn Spanish. The Habla Ya Language Center offer excellent courses.

Although there's plenty to do during the day, there's not much nightlife beyond the occasional festival here in these hills. Restaurants are good but most close their doors early. Try Boquete Bistro, Panamonte Inn, and Delicias del Peru. Annual festivals are Feria de las Flores y del Café in January and Feria de las Orquideas in April. Check out www.theboquetetimes.com for further information.

Daily life

Visit the Romero Supermercado (behind the central park) to get an idea of local grocery prices and selection. Coffee, vegetables, fish, rum and chicken are inexpensive, while imported American products are not. The local farmer's market sells fresh produce at good prices.

The Centro Medico San Juan Bautista offers good health care. The Banco Nacional de Panama and the local IPAT are both on Avenida Central. Internet Kelnix is just one of many internet cafés nearby.

If you miss something in Boquete, odds are that you'll find it in David. It's not nearly as picturesque as Boquete—and it is much hotter—but if you live in Boquete, do your serious shopping in David. It has hardware stores, auto dealerships, attorneys, government offices, PriceSmart (Costco), even American burgers.

Housing options

Real estate prices in the Boquete area depend on the size of the lot, ease of access, distance from town, location of utilities, but most importantly the views. Views include Volcán Barú, Boquete town, other mountain ranges, and the distant coastline and islands. Although prices are usually around US\$30 and US\$50 per square meter, you can find lots outside town for less (US\$8 to US\$9)—or lots in a gated community for up to US\$70 per meter.

If you are interested in renting first, Encuentra24.com lists a fully furnished mountain house sitting on 1340 square meters of land in Boquete, for US\$575 a month.

We saw listed a new 2,300 square-foot house five minutes from Boquete for US\$235,000. A 10,000-square-meter highland lot with mountain views 15 minutes from the city center is US\$85,000. A 2,000-square-meter lot in Bajo Boquete is US\$150,000.

Encuentra24.com website lists a 64.5-hectare lot in Cielo Paraiso, at an altitude of 1,000 feet and with views of the Pacific Ocean for US\$3.2 million. A 13-acre canyon lot with coffee and fruit trees and a river nearby sells for US\$420,000. In nearby Poterillos, a 1600-squaremeter lot sells for US\$23,000 and in Alto Lino a 653-square-meter lot is selling for US\$42,489. Lots with river frontage with views of the Jaramillo Mountains are priced at US\$9 per square meter.

Other real estate listings include:

- A single family home with three bedrooms and three bathrooms, sitting on 3,600 square meters of land for US\$800,000;
- A two-bedroom 136-square-meter house in Jaramillo for US\$210,000;
- A new three-bedroom house in Boquete built to American standards for US\$375,000;
- A three-bedroom house sitting on a quarter of a hectare of land for US\$335,000;
- A 160-square-meter house sitting on a 600-square-meter lot for US\$89,900;

Getting around

One of the nicest things about Boquete is its walkability. Taxis only charge a dollar or two to get around town, but it's easiest to explore by foot. (It only takes about an hour to see the whole town.) You might also consider the local urban buses that travel around the hills for about 50 cents.

Traveling to David and Boquete from Panama City

You have three options for traveling to Boquete from Panama City.

- 1. Take a bus to David and rent a car there for the 45-minute drive to Boquete. The seven-hour bus ride from Panama City costs about US\$10 and departs from the Albrook bus terminal several times daily.
- 2. Rent a car at the Tocumen Airport or in Panama City and drive seven hours to Boquete. You'll take the Interamericana most of the way. The four-lane road is well-maintained and easy to travel. This gives you flexibility, and you can squeeze in a side trip to the coast or mountains.
- 3. Take the one-hour flight from Albrook Airport to David on either Air Panama or Aeroperlas (around US\$100 for one way). Rent a car in David from one of its many car companies, including Dollar and National. Pack light—domestic airlines are strict with the luggage weights.

Pluses and minuses compared with other prime living locations

If you like flowers, coffee, orange trees, and a pleasant climate, Boquete is a wonderful place to live. It's easy to get around here and many people speak English.

Boquete has been "discovered," however. The first European and Americans came here to retire or farm in the 1800s. In 1816 the first hotel was opened by a retired British captain. Foreigners have continued to move and open businesses here ever since, so if you are looking to escape from Americans, Europeans, or civilization, you'll need to look elsewhere. Also, prices are rising. Dig deep and hang around for a while to find the best bargains.

Location 4—The archipelago of Bocas del Toro

The archipelago of Bocas del Toro is quintessential Caribbean—lots of white sand, palm trees, sunshine, and sparkling water, and a very laid-back island approach to everything. If you're looking to escape the world and live quietly with the Caribbean Sea at your doorstep, Bocas can make sense.

Visit, though, before you think seriously about settling here. The ramshackle town on stilts is not everyone's cup of tea.

The real deal on real estate in Bocas

If you decide Bocas living might be your thing, educate yourself on the issues of right-of-possession property. Much of the land in this part of Panama is held through what's called "Rights of Possession" (ROP), not freehold title. There's a difference, no matter what the Bocas real estate agents try to tell you.

Here's the bottom line on this kind of property: Article 255 of the National Constitution considers beaches, beachfront land, marine bottom, and territorial waters public domain. That means it is not subject to title or private ownership. Beaches are considered the strip of land between the tide watermark up to 22 meters toward the mainland. Marine bottom is the part of national territory covered by waters up to the low tide water mark.

Some land is exempt from this law. Do your research. Also, some titles or property rights on beaches and beachfront land were constituted prior to the constitution of 1941. All the rights of property granted before this time are honored.

If you fall in love with an untitled property that is more than one hectare, and you would like to move forward to file a petition for a concession (See "The lowdown on buying in Panama"), the Natural Conservation Authority of Panama (ANAM) must conduct an environmental impact study, prepared by an authorized or certified biologist. If the land is less than one hectare, a report is only required if the land will be used for a restaurant or hotel business. The cost is between US\$350 and US\$3,000, depending on the type of project.

The lay of the land

The archipelago's most developed island, Isla Colón, is home to the capital Bocas del Toro. Built in the early 20th century by the United Fruit Company, Bocas is home to a laid-back community of resident expats, Latinos, and West Indians. The welcoming atmosphere attracts visitors and often makes them return again and again. Or simply stay.

Isla Colón is experiencing a development boom; should you decide to live here, this is where you'll find any amenity you might need. And if you are here on a fact-finding trip, it's a good place to stay while exploring the rest of the archipelago. Bocas town is laid out in a grid pattern around the central Parque Simon Bolivar. The town is small. Its numbered streets and lettered avenues are easy to get around. The town's main drag runs along Calle 3, and Calle 1 runs along the sea. Park and walk once here. You can easily see all of it in about an hour.

The only road from Bocas town travels to Boca del Drago, a quiet beach on the western side of the island, famous for its starfish. The string of beaches on its eastern side offer good surfing.

Isla Bastimentos, a 10-minute boat ride from Bocas del Toro, is completely different from Isla Colón. The main settlement here is the historic town of Old Bank. The town has no roads and the central footpath is lined by colorful houses. You'll hear the language bri-bri here, a Spanish-Creole native to the island. The Ngöbe-Buglé people live in Salt Creek, a village of approximately 60 houses, a school, a small store, and a soccer field. There is no electricity or running water. Its wilderness beaches are home to nesting sea turtles.

Isla Carenero has also become a popular destination. Just a few hundred meters from Isla Colón, it offers a respite from bustling Bocas.

Climate

There's no escaping the rain here in Bocas. There is no real rainy season or dry season. Don't let that deter you, however. The rains come and go quickly. The driest months are usually August to October, and February and March.

Culture and recreation

People don't come to Bocas del Toro for the culture, albeit there is a rich Caribbean culture alive here. Most activities center on the surf, the beach, and the marine life. A kayak around the Zapatillas or Swan Cay is a popular activity. Surfers come for Red Frog Beach, the Dumps, and Playa Punch. Snorkeling and diving in the Parque Nacional Marino Isla Bastimentos is good.

There are endless opportunities (beyond water sports) for outdoor enthusiasts, including biking, hiking, fishing, and birding. Isla Escudo de Veraguas is the only place in the world to see the tiny Escudo hummingbird and the only place in Panama to find the stub-tailed spadebill. Contact ATP (Autoridad de Turismo Panama), *tel.* (507) 775-2839, for further information.

Some of the best cultural opportunities exist in the native villages of the Ngöbe-Buglé located on Bastimentos Island. La Gruta is a unique home to thousands of sleeping bats, and hosts the annual Dia de la Virgen del Carmen festival. The butterfly farm on nearby Isla Carenero is certainly worth the US\$1 water taxi ride.

As with everywhere in Panama, festivals are popular here. Fundación de la Provincia de Bocas del Toro celebrates the founding of the province. May Day, Dia de la Virgen del Carmen, and the Fair of the Sea, or Feria del Mar, are other favorites.

Spanish by the Sea offers good Spanish-language classes.

There are plenty of restaurants in town, and you can find everything from high-end Italian to delicious local Caribbean fare. Restaurant Da Claudio in the town center and Alexander Restaurant are both good Italian restaurants. Dessuz and El Pecado da Sabor offer good local cuisine and seafood. Café Paradiso is the perfect spot for breakfast.

Daily life

You can get Internet access at the Bocas Internet Café and the Bravo Center. The islands' only hospital has a 24-hour emergency care. The Banco Nacional de Panama and post office are both in town.

Cost of living

When you choose to live on an island, you must remember that anything that is not grown there will cost more than it would on the mainland, simply because it takes time to get there. That said, if you love fish and local produce, you don't have to suffer the high costs of island living should you decide to move to Bocas. The fish is truly some of the best around.

Housing options: Which island do you choose?

You can rent a furnished, two-bedroom house in historic Bank Town in Bastimentos Island for US\$800 a month. Rentals at the new Starfish Reef Villas start at US\$900 a month or US\$375 a week. You can buy a two-bedroom, two-bathroom villa with views for US\$235,000. Lots start at US\$118,000.

Encuentra24.com currently lists the following properties:

- One-and-a-half acre lot on San Cristobal island; US\$80,000
- A 449-square-meter lot close to Tortuga beach; US\$85,000
- A 81-acre property on Bastimentos island; US\$1.2 million
- A 10-hectare lot on Sheppard island with four villas that can be rented out; US\$1.6 million
- Five hectares on Solarte island with a beautiful new house; US\$1.2 million
- A beach house in Bocas del Toro; US\$182,000
- Titled and insured 15-acre beach land; US\$289,000
- Three-bedroom house sitting on 2,500 square meters of land; US\$275,000
- A 444-square meter lot on Carenero island, the place where all bars and discos in Bocas del Toro are located; US\$466,000
- 600 square meters of land in the middle of Colón island; US\$900,000
- Hotel sitting on a 11-hectare piece of land on Oyher island; US\$1.2 million

The monthly paper *Bocas Breeze* lists the following in its classifieds:

- Oceanview lot in Discovery Bay on the Island of Solarte, only 10 minutes from Bocas by boat; US\$34,000
- Four turn-key waterfront apartments for US\$250,000
- Titled waterfront property in Bocas, with water concession, with two homes and a large dock; US\$227,000

Remember: By law, all beachfront properties must provide a public right of way starting from the highest tide to the property line. Permits to build over the water require a concession from the maritime authority and the Ministry of Finance.

Getting around

The best way to get around the islands is—obviously—by boat. Water taxis are always available and travel by boat is inexpensive. A trip from Isla Colón to Bastimentos, for example, costs US\$2 to the near side of the island and US\$4 to the far side. You can walk once you've landed on an island. If you're adventurous, take a sea kayak between the islands.

Bocas town has the only airport on the archipelago.

Pluses and minuses compared with other prime living locations

Although Bocas town has a water-treatment plant, you can't drink the water on Bocas del Toro. Even the locals don't drink the tap water here, but you can brush your teeth with it and cook with it.

The surf can be dangerous with strong riptides on some of the beaches.

Finally, there are definitely problems with buying some real estate here. Be sure to find a good, reputable lawyer before you decide to purchase a property in Bocas.

On the plus side, Bocas is a relaxed place that's easy to live in. You can walk just about anywhere, and English is widely spoken.

Location 5—Santa Fé, the quiet of untouched mountains

Neither the tourists nor the expats have discovered Santa Fé yet. This mountain region in Veraguas province is laced with rivers and decorated with waterfalls and is every bit as charming as Boquete. However, because it's yet to establish a name for itself as a foreign residents' haven, it's more affordable and more real than its more famous counterpart. Weekenders love the place, although it has not taken the same hold as Boquete. Not yet, anyway.

The lay of the land

Tiny Santa Fé lies north of Santiago in the shadow of the Continental Divide. You'll travel for about an hour on a well-paved road from Santiago through the Cordillera foothills and lush farmland up through forests to Santa Fé. The road into town divides and takes three directions, all into town, branching off a few more times in between. Amazingly, none of the streets in Santa Fé have names—which only goes to show you how friendly and accessible this little town truly is. Everyone seems to know where everything is and where everyone lives.

Climate

Santa Fé is at an altitude of 1,000 meters and is much cooler than the lowlands. Average temperature is between 50°F and 60°F.

Culture

Santa Fé is known primarily for its orchids (people come from around the world for its August Orchid Exposition), but other sites, namely the waterfalls and watering holes dotting the area, also entice outdoors enthusiasts. El Salto is the most impressive waterfall in Veraguas province. Cerro Tute is home to a family of waterfalls. Alto de Piedra is more rugged. Visit the nearby coffee plant Café El Tute, where coffee is grown only for domestic consumption.

Besides coffee and waterfalls and the occasional festival (including an agricultural fair with traditional dancing and a horse fair, and, of course, the August orchid exposition), there's

little cultural opportunity here. Like all of Panama, however, there are endless opportunities for outdoor enthusiasts.

The two hotels in Santa Fé house decent restaurants. Others include Restaurante de la Cooperativa, which doubles as a market where you can buy *chacara* bags and locally made hats. Most offer fresh fare made from the local produce, and lots of rice. As throughout Panama, social life revolves around family and friends in tiny Santa Fé.

Daily life and cost of living

Stick to local grub and you won't find a great deal of expense here. You'll do much of your shopping at the open-air market, which has fresh fruit and vegetables year round. A couple of bananas will cost you 5 cents and a meal of fish, rice, and vegetables about US\$5.

You don't need air conditioning or heat, so you'll save on utilities.

Other prices are generally low as well: You can find a room at the highly-recommended Hostal La Qhia for US\$27.5. Hotel Santa Fé and Hotel Jardin Santafereno both have rooms for about US\$15.

Housing options—where to live

A 4.3-hectare property only minutes from Santa Fé is on the market for US\$344,500. At 15 minutes from the town center, is a 39.67-hectare property for US\$390,000, with beautiful views, rolling hills, and a creek running along the lot. A 117-hectare property with a 300-foot waterfall is on sale for US\$500,000. A mountainside property, 10 minutes from Santa Fé, in an area called Corral Viejo, with a beautiful view of the Santa Maria River, road access, water, and electricity is selling for US\$180,000. A smaller property, of 3,694 square meters, is located 15 minutes from the Santa Fé town and next to the Santa Maria River; the asking price is US\$28,700. A 5,560 square-meter property located in Cerro Redondo, 15 minutes away from Santa Fé, with road access, water, and electricity is sold for US\$30,000. A fruit-tree covered, 3.82-hectare site with views of Santa Fé is on the market for US\$50,000.

Getting around

Buses to Santiago run every half hour and cost about US\$2. You can walk or bike around town.

Pluses and minuses compared with other prime living locations

This is a quiet town with few expats, so if you are looking for a home with lots of likeminded foreigners, this is not the place for you. However, if you are interested in great views, a laid-back lifestyle, and genuine peace and quiet, this might be your next home.

Location 6—Pedasí and Las Tablas

Situated on the eastern coast of the Azuero Peninsula, Pedasí (the birthplace of Panama's first female president) and Las Tablas (home to the country's biggest Carnival celebrations) are both good places to position yourself in what I believe to be the most beautiful region in the entire country.

The lay of the land

Las Tablas, the capital city of the Los Santos province, founded in 1671, lies on the Carreterra Nacional. The town is a stone's throw from both the Pacific Ocean and the mountains. Also close by are the Canajagua (at 2,700 feet above sea level) and Nuario mountain areas, with comfortable climates and incredible views of the Pacific and the peninsula.

The main road into Las Tablas is Avenida Laureano Lopez, which ends at the Belisario Porras Museum and the main plaza. Museo Belisario Porras is the former home of three-time president Belisario Porras and tells the story of his life. He is best known for creating the national registry for land titles as well as the country's network of public hospitals. The Panama Canal opened under his administration. You'll find banks, a post office, and plenty of restaurants and hotels near and on the central plaza.

Las Tablas is most popular for its Carnavals, but traditional folklore, friendly people, great weather, and Spanish culture bring increasing numbers of visitors here. It is also the economic center of the region, where people come to shop and do business.

Pedasí, a town adorned with colonial buildings and laid-back residents is flanked by the Carretera Nacional on its west and the picturesque wilderness beaches on its east. This quiet town is the home town of former president Mireya Moscoso, and during her term, her hometown benefited from improved roads, lighting and other infrastructure. She has a retreat on nearby Punta Mala beach.

Climate

Both Pedasí and Las Tablas offer a tropical climate with an average temperature of 27°C. Rains are more predictable here than they are on the Caribbean coastline. The area receives less rainfall than other areas of the country.

Cultural and recreational opportunities

Las Tablas cuts loose for its Carnival. Residents are more subdued the rest of the year, although you can find a handful of good restaurants and bars here. Restaurante Los Portales across from Hotel Manolo has good food for around US\$8 a meal. Restaurante Las Faroles offers some of the best meals in town, though the service is very slow.

In addition to a festive *Carnaval*, Las Tablas hosts both its patron saint festival and the summer *pollera* festival, celebrating Panamanians' national dress. The patron saint festival, or Fiesta de Santa Librada, consists of church services and street celebrations. The Fiesta de la Pollera shows off the national dress and women in *polleras* pass through the streets to be judged on grace and costume.

Pedasí is a quieter alternative. Near town lies Isla Iguana, a natural island reserve with beautiful beaches and lots of birds. The 55-acre Isla Canas is a wildlife refuge and the country's primary Pacific sea turtle nesting area. Pedasí holds its patron saint festivals on June 29th and November 25th. On July 16th, the town hosts a celebration for local fishermen on Playa Arenal.

Snorkeling and scuba diving are prime recreational activities in Las Tablas and Pedasí; humpback whales live in the waters off the Azuero Peninsula. Pedasi also offers excellent deep-sea fishing and good surfing. You can scuba dive with Pedasí Scuba Center next to IPAT north of town.

Restaurante Angela, Restaurante El Gringo Dusek and Tiesto are all good restaurants in Pedasí.

Daily life

You can find pretty much anything you need in Las Tablas. Banco Nacional de Panama is located on Paseo Carlos Lucas Lopez. HSBC is on Calle Belisario Porras, and BBVA is on Ave. Belisario Porras. There are a handful of ATM's in Las Tablas. The post office is on Calle 2. Zona Net is on Calle Los Santos. In the town you will find a variety of supermarkets, hardware stores, clinics, hospitals, hotels, restaurants, laundromats, and many other services.

Pedasí has a local market and a decent grocery store. You'll find a Banco Nacional de Panama with an ATM on Pedasí's northern side. Pedasí has four hotels: Casita Margarita, *tel.* (507) 995-2898, Dim's Hostal, *tel.* (507) 995-2303, Residencial Moscoso, *tel.* (507) 995-2203, and Residencial Pedasí, *tel.* (507) 995-2490.

Housing options—where to live

You can buy an 822-square-meter lot near Pedasí for US\$94,548. A brand new three-bedroom home in town just minutes from the beach is US\$120,000. You can buy a 296-square-meter lot in front of the Pedasí Park for US\$100,000. A 1.5-hectare riverfront property on Punta Mala, five minutes from Pedasí, is US\$300,000. A 4-hectare lot located on the way to Villa Camila is US\$531,000. A 42-hectare beach lot on Oria beach is selling for US\$10.5 million.

In Las Tablas prices are comparable. *Encuentra24.com* lists a 3,306-square-meter lot for US\$37,000. Inside the city, in front of the school, a 633-square-meter lot sells for US\$72,000 and would be ideal for setting up a small shop. 3.8-hectare teak farm close to town is on sale for US\$130,000. A 2,900-meter property on the water is US\$75,000. A 475-meter, seven-bedroom house is US\$155,000. A fully furnished, 500-square-meter house is US\$390,000.

Getting around

Las Tablas is located three-and-a-half hours by car from Panama City on the Panamerican Highway. Buses run hourly from Las Tablas to Santo Domingo, Chitré, Tonosí, and Pedasí. Buses depart 10 times daily for Panama City.

Live and Invest in Panama

Buses from Pedasí to nearby beaches are infrequent; usually one a day. Taxis cost around US\$15 to get to the beaches.

Pluses and minuses compared with other prime living locations

Las Tablas offers much of the same conveniences and amenities as Panama City—on a smaller scale. You can buy almost anything you'd need here.

Pedasí's small-town feel is made even more attractive by its good infrastructure. It's a good base from which to explore the beautiful Azuero coastline. You need your own transportation to get outside town, however...even to the surfing nearby.

EMPLOYMENT— FROM EMPLOYEE TO EMPLOYER

Frankly, as a foreign resident, your options for local employment are limited. Foreign residents are restricted from participating in certain industries. They can't become licensed real estate agents, unless they have been a legal resident for five years and have passed the Spanish real estate broker's exam. They can't practice medicine or law. And they can't work retail or act as translators.

Unless you find an employer willing to sponsor you and arrange for your work visa, don't count on finding a job. Even then, there are restrictions on the percentage of foreigners a Panamanian company may hire (generally 10%). Exceptions do exist for technical positions and temporary situations.

The bottom line: It's difficult to get a job working for someone else here in Panama unless you're a Panamanian. When you consider that the minimum wage here is less than US\$500 a month, it's not surprising that Panamanians are hired first.

Truth be told, you probably won't need to work if you are considering retirement here. Retirees generally will find they can live like a king in Panama on their pension. A modest income is more than enough money in Panama.

On the other hand, Panama loves it when you start a business. Business opportunities are many—though, again, some restrictions are placed on foreigners interested in owning and operating businesses. Still, you could start an import/export operation, a tourism business, a language school, or a consulting group, for example. Indeed, adventurous entrepreneurs with foresight stand to make substantial gains.

Finding a job in Panama—What you can expect as an employee

According to Panamanian law, only 10% of employees in a company can be foreign. However, there are exceptions. If a company requires specialized staff that is not readily available in the labor force in Panama, for example, it is permitted to hire technical or specialized staff. (In this case, foreign employees still can't exceed 15% of all the company's employees.)

Foreigners can find work in a variety of industries throughout the city, including banking, technology, construction, and hospitality. If you have a particular skill—especially one that is in high demand or is difficult to find in Panama—you will obviously have better luck finding a job. In Panama there is a shortage of skilled labor, but an oversupply of unskilled labor.

Opportunities also exist in the growing scientific and non-profit sector based in the Canal Zone and City of Knowledge (see page 159). The Smithsonian Tropical Research Institute, UNICEF and the United Nations are all here.

You can sometimes find jobs listed in local newspapers and on websites like *Escapeartist.com*, Konzerta.com, or Encuentra24.com (in Spanish). Jobs in English you can find listed on Craig's List—Panama (http://panama.es.craigslist.org/jij/) or on the website of the City of Knowledge (www.ciudaddelsaber.org).

Employment opportunities

Ciudaddelsaber.org lists the following:

- PeaceCorps Panama is looking for a fulltime program specialist for sustainable agricultural systems;
- The Child Fund of the United Nations hires a business development officer to support program development and grant acquisition strategy;
- Project management analyst for the UNDP Regional Center for Latin America;
- Field Personnel Assistant for the International Organization for Migration;
- Program development manager for the Special Olympics Committee Latin America;
- Regional humanitarian and emergency affairs director for World Vision Latin America;
- IT engineer with knowledge of SQL Server, MS Access, and MySQL;

Craig's List Panama lists:

 Chinese-Canadian family preparing for a move to Panama is seeking bilingual secretary/personal assistant to work with family and business on administrative matters:

- A small apartment building is looking for a property manager three times a week about four hours each day;
- Wellness coaches for Herbalife;
- European investment company is looking for sales advisors and telemarketers;
- Master distributor for Biomile, a fuel conditioning supplement with an excellent track record and the ability to reduce fuel costs and improve vehicle efficiency;
- Panama Travel Group (<u>www.panamatravelgroup.com</u>) is looking for a bilingual travel sales agent and customer service;
- Part-time bookkeeping assistant for approximately eight hours per week.

Taking your job on the road

One of the best options for work in Panama is simply to move your current job there. If you are a mobile professional, it's worth considering making your base in Panama. First off, you'll be earning North American or European wages—and enjoying a Panamanian cost of living. In addition, high-speed Internet, inexpensive phone rates (less than 7 cent per minute to the U.S.), inexpensive English-speaking workforce, and a U.S.-dollar economy all contribute to a great workplace.

Many web-based and creative businesses have already found a home here alongside big businesses. Panama boasts a total of 400,000 registered corporations. It is second only to Hong Kong as a home to corporations and corporate subsidiaries.

Starting your business in Panama—Your life as an employer

Why Panama? That's easy. Pick your reason: a dollarized economy, political stability, tax incentives, good infrastructure (thanks to the long American presence in the country), comfortable lifestyle, good climate, a bilingual population. It also has reputable law, auditing, and consulting firms.

First off, consider location, location, location. If you are moving to Panama, your best bet is to base yourself in the City of Knowledge, a technology and education park with a state-of-the-art communications infrastructure and bustling business population. You'll be in good

company: the United Nations' Regional Headquarters are here. Also consider the Colón Free Zone and Panama Pacifico— you can take advantage of tax and duty exemptions and other perks there.

If you are starting a new business in Panama, consider your product. Obviously, tourist-oriented businesses should be located in current tourist hotspots or up-and-coming locations. We saw a corner bar and restaurant with an outside terrace for sale on Via Argentina in Panama City, a favorite among tourists, for US\$125,000. It already has its liquor license. A wine bar in Obarrio is selling for US\$225,000.

Structuring your business as a corporation

If you decide to set yourself up as a corporation, you'll enjoy flexibility in areas from tax management and asset protection to estate planning. There are no restrictions on nationality, no paid-in capital requirements, and no exchange controls. For further details, turn to "Companies and industries" in the Finance chapter.

As an employer, you should know that...

- Panama has the highest minimum wage in Central America...and it is still much lower than that of the States. Secretarial, clerical, or customer service positions usually earn the least, while more technical positions can earn from US\$1,000 to US\$1,500 a month. Most public employees and managerial positions have benefits and bonuses to make up for the low salary.
- The maximum normal workweek is 48 hours for daytime work, 42 hours for night work and 45 hours for mixed day and night work.
- Foreign labor must obtain a one-year, sometimes-renewable work permit from the Bureau of Immigration. (In certain sectors and for some specialized positions, special temporary permits are granted.)
- Every worker has a right under the labor code to one day of vacation for every 11 days worked (or one month per year paid vacation). This can be divided in two parts.
- There are restrictions on the percentage of foreigners a Panamanian company may hire, generally 10%. Exceptions exist for technical positions and temporary situations.

- All legal, tax, customs, municipal and labor rules in place at the time of your
 investment will remain intact for 10 years. That is, if the laws change after you are
 set up, you are grandfathered in. (To qualify for this you must invest at least US\$2
 million and register with with the Trade Ministry.)
- Panama has a relatively small labor pool, which limits availability in upper-echelon positions.
- Unionization is mainly in the construction, government works, and private manufacturing sectors. Union membership includes around 10% of the workforce.
- The Panamanian Labor Code still tends to be protective of the worker and somewhat prohibitive for the employer. Three types of labor contracts are recognized. The Definitive Period of Time Contract allows for employment not to exceed one year. The time period of a Defined Work Labor Contract is determined by the job performed. The Indefinite or Permanent Labor Contract is for a duration which is at yet undetermined by the parties at the time of signing. When special circumstances dictate, probationary three-month contracts may be signed.
- Termination compensation is equal to a week's salary for each year worked.
- A paid maternity leave of 14 weeks is required.
- The law permits up to three hours of overtime per day and a maximum of nine hours per week.

Never fear: You are protected...up to a point

The Investment Stability Law guarantees all foreigners the same rights as national investors in terms of investments and business practices. That said, it's wise to remember that laws favor Panamanians.

Opportunities in international businesses

Panama's strategic location and proximity to the growing Latin American market makes it a solid base from which to operate an international business. And if you are looking for financial privacy and no taxes—corporate or personal—you've come to the right place.

Most importantly, Panama wants investors. A number of attractive programs and special zones are in place to attract foreign investors. Now's the time to take advantage of these perks. They won't last forever.

We outline opportunities for tourism in the next pages. See "Finance" for details on other investment opportunities.

A note on tourism

Your best opportunities for self-employment will be in anything tourist-related, from developments like guest houses and resorts to projects like charter dive operations or guiding trips.

You could build a bed and breakfast in the hills of El Valle, start a white-water rafting outfit in Chiriqui, or operate fishing expeditions or a scuba dive shop in Playa Santa Catalina. We just saw a hotel and a marina for sale on Solarte Island in Bocas del Toro for US\$1.2 million.

Best of all, the government is behind you all the way. The Panamanian Tourism Authority (ATP) plans to invest in the tourism campaign in the coming years. Money will go toward such programs as overseas advertising, rural bed & breakfasts, installations of tourist information kiosks and craft centers. All the incentives currently in place in Panama are expected to remain.

You'll have to invest at least US\$3 million in metropolitan areas or US\$50,000 elsewhere in the country to take advantage of major government perks. Here they are:

- A 20-year exemption from any import taxes due on materials, furniture, equipment, and vehicles;
- A 20-year exemption on real estate taxes for all assets of the enterprise;
- An exemption from any tax levied for the use of airports and piers;
- Accelerated depreciation for real estate assets of 10% per year.

If you start up a tourism-related business in one of the specially designated tourist zones, you can also receive a 15-year exemption on your income taxes.

Businesses for sale:

- Beauty parlor located near the Riba Smith supermarket in Bella Vista, with excellent clientele, for US\$15,000. The price includes all the equipment and products.
- Spa located in the Crowne Plaza Hotel, in the banking district in the heart of the capital, with manicure tables, a room for massage and body treatments that includes a shower, and a small kitchen, for US\$79,000. All equipment is included in the price.
- Internet café with computers, printers, copy machines, and game consoles, located near two schools is selling for US\$10,000.

What you can expect to pay in taxes

You will be taxed on wages and salaries, miscellaneous business profits, pensions/bonuses, and income from copyrights, royalties, trademarks, stock sales, bonds, and securities. You will only be taxed on Panamanian-based income, and you can deduct all medical expenses paid in country, charitable donations, home mortgage interests, education expenses, and home improvement loans.

Personal income tax in Panama is based on a sliding scale, ranging from a minimum of 15% after the first US\$11,000, to a maximum rate of 25%.

Business Practices—etiquette and customs

Handshakes are appropriate among businesspeople, both men and women, when arriving at and leaving a meeting. Panamanian businessmen shake hands firmly but briefly. Casual acquaintances generally nod when meeting, while good friends hug. Panamanian women may embrace lightly or brush cheeks in a kiss; they usually only shake hands in a business situation.

As always, it's good to know some Spanish. When you meet someone, an initial *Buenos dias* or simply *Buenas* will serve you well. When introduced to someone, say *Mucho gusto*, which means "Pleasure to meet you." Also use the formal *usted* (not *tu*) when addressing a business associate whom you do not know well.

Panamanians consider titles important. Speak directly to someone by using their title: *Señor* (Mister) and *Señora* (Ms.) are general titles. Others include *Licenciado* (university

degree, lawyer); *Ingeniero* (male engineer), and *Doctor* (medical degree or someone with a PhD). Be sure to print business cards in Spanish and English.

While professional and dignified, Panamanians are also relaxed, easygoing, and fairly informal. Also, the respect they have for their personal relationships is carried over to their business relationships; indeed, Panamanians take time and effort to establish a personal relationship before a business relationship can even begin. After initial introductions, many meetings are held informally over coffee or light snacks; this is often done away from the office setting in order to get to know each other better. This all means that negotiations may take more time than they do at home. Everything will move more smoothly if you relax and take time to establish a relationship first.

Note: If you have a serious business exchange to conduct, arrange to meet in an office and not over a meal. And be punctual. Appointments with foreigners are always on time.

Table manners: Panamanians are warm, welcoming, and very social. You'll very likely be invited to a Panamanian business partner's home. It is important to reciprocate. If you are staying in a hotel let the hotel arrange everything for a business dinner. Larger parties may have a service charge added to their bill, but an additional tip of 5% to 10% is given for good service.

If you are at a business meeting over lunch and you would like to pay for the meal, you'll need to ask for it. Panamanians think it is rude to rush people from a meal. To ask for it, say *la cuenta, por favor*, to your waiter.

Panama's business workweek

Monday – Friday: Offices open from 8 a.m. to 5 p.m. or 6 p.m.

Retail: 10 a.m. to 6 p.m., shorter on weekends

Banks open from 8 a.m. to 3:00 p.m.

Government hours: vary, usually Monday to Friday, 8:30 a.m. to 4:30 p.m.

Many businesses are closed on Sunday.

FINANCE AND INVESTMENT OPPORTUNITIES

This is where Panama shines...and clearly outshines the competition in the region. First, Panama is affordable. You can live well on less than US\$1,500 per month and like a king on US\$2,500 a month. A good hotel is US\$30 a night, a delicious meal about US\$4, and a two-hour bus ride costs about the same as a city cab ride—US\$2. Lunch costs US\$2 or US\$3, and a beer is about 50 cents. A packet of cashews is about 25 cents.

Furthermore, Panama is a dollar-based economy. This country has used the U.S. dollar as its currency since 1904, meaning Americans living and investing here have no currency exchange risk. Right now, this is an important point.

In addition, as a foreign resident, you'll pay tax in Panama only on money you earn in Panama. That is to say, organize your financial affairs so that you earn no money in Panama (this should be easy to do), and you'll owe no tax locally. Americans, of course, must remember their tax obligation to Uncle Sam, but, as an American abroad, your first US\$99,200 (for 2014, this amount increases every year) of foreign-earned income is exempt from U.S. tax.

Banking, currency, and exchange rates

Panama is a banking haven. Banking accounts for 11% of Panama's Gross National Product. More than 80 banks including such international banks as HSBC, Citibank, Scotiabank, Dresdner, and BNP/Paribas have full-service branches in Panama. All are private except for the state-owned banks of Banco Nacional de Panama and Caja de Ahorros.

Why is Panama's banking sector so attractive? First, foreigners are granted the same rights as locals.

Second, bank accounts in Panama are safe. This can be attributed largely to the fact that it is difficult to obtain a banking license...and tough laws require high standards to maintain status.

Third, Panama is not subject to hurricanes and other natural disasters. Hurricanes in other Caribbean tax havens have often devastated banks, and it's difficult to access your funds after natural disasters.

Fourth, banks in Panama are conservative and do not enter into risky lending practices. You are required to put down at least 10% for a mortgage as a resident.

Fifth, Panama's currency is the U.S. dollar. There are no exchange risks or high interest rates.

Also, banks offer good interest rates—usually about 3.5% annual interest on savings accounts, and up to 5% annual interest on certificates of deposit (*plazo fijo*). (For most banks the minimum deposit for a CD is US\$10,000.) Checking accounts, recommended if you start a business in Panama, can only be used for deposits or payment inside the country.

Finally, banks also offer low interest rates on mortgages and commercial loans—about 7%. Thirty-year mortgages are available. These are unusual benefits for this part of the world—and Panama can afford to offer them because it has no exchange rate risk and plenty of funds coming into the country from other countries.

Prominent banks in Panama include:

- **Banco General**, Calle Aquilino de la Guardia, Panama City; tel. (507) 303-5001, website: www.bgeneral.com. Offers international banking and web-based international wire transfers.
- **BBVA**, Calle 50, Edificio Plaza Sonoma, Panama City, tel. (507) 322-2141, website: www.bbvapanama.com. Offers Internet banking.
- **HSBC Bank**, Aquilino de la Guardia Street, , Panama City; tel. (507) 306-4700, website: <u>www.hsbc.com.pa</u>. Offers Internet banking and web-based international wire transfers.
- **Scotia Bank**, Ave Federico Boyd, Edificio Scotia Plaza, Panama City, tel. (507) 208-7700, website: www.scotiabank.com/pa/cda/index/0,LIDes,00.html
- Uni Bank, Calle 50, Torre Global Bank, 33rd floor, Panama City, tel. (507) 6070-7433

Setting up a personal bank account

It's fairly easy—but time-consuming—to open a bank account as a foreign resident in Panama. One expat stated that he opened up a bank account at Scotia Bank and all he needed was a passport, driver's license, two bank reference letters from his home country of England and a statement of his account. No lawyer was necessary...but it could take a couple of weeks for your bank account to be approved.

We recommend you maintain your bank account in the States at first—especially since you'll need to be settled in Panama before you can even apply. (A bank will need utilities bills and a home address before it will even consider an account for you.) Make sure you have an ATM card and credit card with you. American Express, Western Union, and MoneyGram all have branches in Panama City.

After you are settled, take to your bank your passport, a letter of recommendation from your bank at home, and a personal recommendation from someone in Panama (who has no criminal record). Although you don't technically need a lawyer's assistance, it can be helpful to get a banker introduction from your lawyer. Most banks require a minimum deposit of US\$200.

If you are not a resident yet, but own property in Panama, you can open a bank account here. Also, the private banking division at some banks (Uni Bank, for example) offers this service.

Setting up a corporate bank account

You'll definitely enjoy more privacy if you open a corporate bank account—after all, wires coming in and going out of the bank account will have the name on the account listed. If your own name is listed, your privacy goes out the window.

Also, Panama offers liberal laws for trusts and international business corporations. And, remember, only income generated in Panama is taxed, so corporations are not subject to income tax in Panama unless income is actually made on Panama soil. International business corporations (IBCs) can set up a corporate account and credit cards for investments worldwide and the tax-free income earned can be used for business purposes anywhere in the world.

To set up a corporate account in Panama, you'll usually have an interview in person. Arrange that ahead of time—before your arrive in Panama, even. Be sure you have the following:

- Notarized copy of passport for each signatory (this is only necessary if you do not open the account in person);
- Two financial reference letters from any bank, brokerage firm, or credit union. Must be original, on letterhead, and include signatures and contact information;

- Two commercial or professional reference letters from any company or professional that you have a commercial business, or professional relationship with. Must be original, on letterhead, and include a signature of the representative of the company or the professional, along with contact information;
- Signed account applications for every signatory on the account. As account signatory, you will have the power to execute all types of banking functions with your corporate account.
- Resumé of each beneficiary of the account
- Details of your business, including nature and location of the business, source of funding, and approximation of annual account activity
- An initial minimum deposit of US\$1,000 to be wired to the account when it opens.

Credit cards

Most banks offer secured credit cards when clients place security deposit as collateral for the credit line equal to 125% of the credit limit. Annual fees start at US\$50. Debit cards are also offered at most banks. Annual fees are US\$20.

It may be hard to believe, but Panama's average credit card debt is higher than that of the U.S., according to an article in *La Prensa*. Scary when you consider the average wage in Panama is less than a tenth of the U.S. average.

Taxes

Taxes in Panama and the U.S.

Regardless of your residency status, personal income tax is only applied to Panamanian-sourced income. Americans retirees are not taxed on pensions, Social Security, or similar income earned in the States. Still, the IRS requires that U.S. citizens file U.S. tax returns, even if they're not living in the States and even if they have no tax liability (as long as they meet the minimum income requirements). You will not be taxed on your first US\$99,200 (for 2015) of earned income (double that for a couple).

When dealing with taxes, find a good tax advisor. Turn to "Resources" for a list.

Personal income tax

Personal income tax in Panama is based on a sliding scale, ranging from a minimum of 15% after the first US\$11,000, to a maximum rate of 25% after US\$50,000. As mentioned in the previous chapter, taxable income includes wages and salaries, other business profits, pensions/bonuses, and income from copyrights, royalties, trademarks, stock sales, bonds, and securities. Deductions may be made on all medical expenses incurred in Panama, all donations made to charities, interest paid on home mortgages, education expenses, and loans for home improvements.

Free Trade Agreements

In June of 2007, the U.S. and Panama signed a free trade agreement that abolished tariffs and other trade barriers between the two countries in manufacturing, services, and other sectors. Over 88% of U.S. exports of consumer and industrial goods and more than half of current farm exports (including high-quality beef and poultry) to Panama became duty-free immediately. Other tariffs will be phased out over 10 years. Other farm tariffs will be phased out over 15 years.

This treaty will create many benefits for both countries. It immediately stimulates foreign investment between both countries. It will widen the product market, increase exports from both countries, and provide more accountability and legal security.

U.S. expects to increase investments in construction, technology, and services for the Panama Canal, ports, telecommunications, and tourism.

Investing

Panama's economy is one of the healthiest in the hemisphere, and investments here enjoy social, economic, and political stability. The inflation level is among the lowest in the world and per capita income is among the highest in Latin America. Best of all, there are hardly any taxes, corporate or personal.

The Panamanian government has seen the enormous impact foreign capital has made in his country—and are determined to keep international funds capital flowing into Panama. The government is pro-business and free market.

So far, benefits include attractive programs and special tax-free zones for business operating in Panama. In addition, Panama does not require special permits, authorization, or registration from investors. Furthermore, the 1998 Investment Stability Law protects investments of more than US\$2 million for 10 years from any changes in tax, customs, or municipal and labor laws. It also guarantees foreigners equal rights as Panamanians.

Investment opportunities and incentives

Although there is a plethora of investment opportunities in Panama today—namely those in the tourism sector, banking, reforestry, and mining—real estate is the most lucrative place to put your money immediately.

Real-estate investors from around the world are enjoying the benefits and incentives put in place by the Panamanian government. Opportunities from high-rise condos in Panama City and residential communities in Boquete to Caribbean and Pacific beachfront exist for real estate investors, and construction is popping up all over the country.

See "Housing considerations" for details on investing in real estate in Panama.

Export opportunities

With all the free zone opportunities in Panama, an export company could make sense for would-be investors. Of all Panamanian exports, 20.3% are directed to the U.S. market, its main commercial partner.

Export Processing Zones

The great thing about setting up an export company is that you can operate in an Export Processing Zone (EPZ), which is 100% tax-free. Any activity, operation, transaction, license, procedure, transfer of movable goods and real estate, purchase and importation of all equipment, spare parts, raw materials, and all goods and services, are 100% exempt from national direct and indirect taxes, duties, levies, and charges for an indefinite period.

The main export industries allowed in the EPZ are manufacturing, processing, telecommunications, and high-technology parks.

Similar incentives exist for oil and petrochemical companies located in the country's Petroleum Free Zones.

Reforestry investments

Panama is currently focusing a great deal of attention on the reforestation of its land. To attract foreign investors to this sector, the government grants financial and forestry incentives for investors who purchase land designated for reforestation or that has already been reforested. If you invest at least US\$80,000, for example, you can obtain a Complete Reforestation and Investor Visa Solution, which is a quick way to obtain Panama residency.

If you set up your investment as a corporation and not as a private investor, the corporation conducting reforestation activities must be approved by ANAM (Autoridad Nacional del Ambiente) to operate in Panama in order for you to get the visa. You need a forestry registry certificate from ANAM whether you invest as a person or corporation. To apply for this visa, you'll need the following:

- Power of Attorney for the visa application (use a qualified Panamanian attorney);
- A deposit of US\$800 to the Ministry of Government and Justice, returned if it's declined within one year following approval;
- Payment of US\$250 to the National Treasury;
- Health certificate issued in Panama;
- Copy of the last receipt showing payment of the company payroll;
- Certificate of the company's registration with ANAM;

- Photocopy of your passport and six passport-size photographs;
- Police record issued by the competent authorities in the last place of residence;
- Certificate attesting to the value of your shares and the investment of US\$80,000;
- Certificate from a Certified Public Accountant stating that you are the shareholder;
 include CPA's license number and a copy of the company's tax payer registration;
- Notarized copy of documents (check, certificate of banking transfer, bonds, etc.) to acknowledge payment.

Mining

Panama has been a main route for shipping precious metals from Latin America to Europe since the Spanish conquest. Today it continues to show potential in its own mining sector. The country has two of the largest undeveloped copper deposits in the world. Gold, silver, and manganese also have commercial potential.

Until recently, Panama's mining sector was best known for the Cerro Colorado project near the Gulf of Chiriquí. This project still has mineable reserves of 1.4 billion tons grading 0.7% copper. Rio Tinto Zinc transferred its 49% holding to the government in 1994 and the state now fully owns Cerro Colorado. The government wants private mining companies to concentrate on the richest and most accessible part of the area which has estimated reserves of 60 million tons of 0.9% grading.

Mining became even more aggressive during the administration of former President Martinelli. What's more, mining concessions have already been granted for 35,187 hectares through contracts granted by the state, representing 2% of the national territory. From the mining business in Panama, citizens will receive 2% of the value of the minerals extracted, in the case of Minera Panama, which will represent about US\$80 million dollars per year from 2015 through 2057, the dates of the concession granted to the company to extract minerals from 13,600 hectares. There are also payments to Social Security and other taxes for their employees; this project will generate more than 5,000 temporary (during construction) and 1,500 permanent positions.

Your best bet when considering an investment in the mining sector is to partner with one of the existing companies or local groups in Panama. Since 1992, exploration and drilling have been in the hands of Canada's Adrian Resources which has a 52 % interest in the

Petaquilla Mining Consortium. Metal Mining Corp. of Canada holds the remaining 48%.

How to invest

The investment process in Panama is simple and straightforward, but we recommend that you always work with a good attorney. This is smart business practice...but it's particularly important in Panama where a large part of realizing success has to do with making contacts and building relationships. A reputable lawyer is a good place to start.

Companies and industries

Many foreign investors starting a business or purchasing real estate in Panama set up a corporate entity. Panamanian corporations and foundations offer flexibility in everything from estate planning and tax management to asset protection.

Panama has one of the most modern and flexible set of corporate laws in Latin America. Here are some of the advantages it offers:

- 1. Two or more persons of any nationality may organize a corporation for any lawful purpose. The articles of incorporation may be executed within or outside of Panama in any language. Meetings of shareholders or directors may be held outside Panama.
- 2. There are no requirements regarding the amount paid in capital.
- 3. Ownership of a Panamanian corporation may reside with a single individual or corporation, and no part of the capital need to be held by a Panamanian.
- 4. There are no nationality or residence requirements for shareholders.
- 5. Neither the directors nor the officers are required to be shareholders.
- 6. The Board of Directors must be composed of at least three directors and must have a president, secretary, and treasurer, but one person may hold more than one officer position.

To form a corporation, provide the following information:

- 1. The name of the corporation. It may be in any language, but it must terminate in "S.A.," "INC.," or "Corporation;"
- 2. The name and address of each director of the corporation;

- 3. The objectives, purposes, and location of the corporation;
- 4. The amount of authorized capital. Usually the authorized capital will consist of US\$10,000 divided into 100 shares of US\$100 each. It can also be tailored to your needs;
- 5. The duration of the corporation, usually perpetual.

Sociedad de Responsabilidad Limitada and Sociedad Anónima offer investors structures similar to limited liability American companies. Investors and shareholders are only responsible for their participation in the company's authorized capital. Personal assets are fully protected.

The most important benefits include:

- No restrictions on nationality;
- No requirements to disclose ownership (ownership must be disclosed in a LLC);
- No restrictions on foreign-owned investments;
- No restrictions concerning ownership of shares (LLCs do not receive shares);
- No residence requirements for directors/officers;
- No paid-in capital requirements;
- No income tax, if income is produced outside Panama;
- Total tax exemption on all and any business activity or transaction carried on outside the jurisdiction;
- No exchange controls;
- No restrictions on mergers, acquisitions or joint ventures;
- No requirements to file annual financial statements;
- No requirement to hold annual shareholder or director meetings;
- Reasonable annual registration taxes and resident agent fees;
- Articles of incorporation may be done in any part of the world in any language and accounting books for the corporation can be kept in any part of the world and in any language;

• Lawyers who have powers of attorney to act on behalf of the company are responsible for any actions taken against the interest of the company and/or its shareholders.

Resident Agent

By law every corporation must have a resident or registered agent. The first year of the resident agent's fee is usually included in the cost of incorporation.

Annual company tax

Every Panamanian corporation has to pay an annual tax, imposed by law. The fee is US\$250 the first year and US\$300 each consecutive year.

Where to place yourself—location, location

Colón Free Zone

Created in 1948, the Colón Free Trade Zone ("CFZ") has had a profound impact on Panama's economy. It is the largest free zone in the Americas and the second largest in the world. More than 2,000 companies currently operate here. Its 400 hectares are completely developed.

The CFZ is administered as an autonomous institution of the Panamanian government and is operated and managed by its Board of Directors, an Executive Committee, and the General Manager of the institution.

The CFZ has access to three ports in the Atlantic and one in the Pacific. Imports include electrical appliances, clothing, watches, perfumes and cosmetics, textiles, gold jewelry, liquors, and cigarettes. Venezuela, Colombia, and China are Panama's best customers.

Merchandise arriving at, stored in, or leaving the CFZ destined for a foreign country is exempt from taxes, charges, or any type of tariff. There are no taxes on the export of capital or the payment of dividends. In addition, there is no income tax on earnings from re-export sales. Its slogan is "Zero tax and 100% opportunity." (We've found that there's no real reason to do any casual shopping here, however. Prices for everyday or tourist items are on par with those sold elsewhere in Panama City.)

How to set up your business in the CFZ

Corporations or individuals of any nationality may establish operations in the CFZ without obtaining a commercial license or investing any minimum amount of capital. To operate here, you must file out an application and provide a copy of the articles of incorporation and bank references.

Your company must engage in one of four types of sales operations:

- 1. Re-export of goods from CFZ warehouses;
- 2. Sales to clients located within Panama's customs territory (60% must be overseas re-exports);
- 3. Direct sales to foreign clients in which goods are shipped from a third country manufacturer without physically arriving in the CFZ; or
- 4. Transfers in which sales are made to other CFZ firms.

You can set up your business in one of the following ways:

- 1. Obtain a 20-year land lease for your warehouse and facilities;
- 2. Purchase an existing facility from the CFZ Administration;
- 3. Become represented by a company already established in the CFZ (This is subject to approval of the CFZ Administration).
- 4. Lease a public warehouse operated by the CFZ Administration. Payment is based on the weight or volume of the goods stored.

If your company is based in the CFZ, you'll enjoy:

- exemption from tax on imports and re-exports;
- no taxes on the export of capital;
- reduced income tax rates on earnings from re-export sales;
- exemption from import duties as well as from guarantees, licensing, and other requirements and limitations on imports;

- tax credits, depending on the number of Panamanian employees;
- no income tax on foreign trade operations;
- no corporate income tax on foreign or re-export sales;
- no dividend taxes on dividends paid on profits from foreign trade operations and from direct sales;
- no federal or municipal tax.

The City of Knowledge—It knows what it's doing

The City of Knowledge was once known as Fort Clayton, a U.S. military base occupied by military personnel and canal administrators. It was home to neighborhoods, community centers, airports, and hospitals—all built and maintained to U.S. standards. The Panamanian government took advantage of its good infrastructure to create an attractive business center here, complete with state-of-the-art communications services; tax incentives that include exemptions from imports, sales, and income and national direct tax; and real estate incentives.

The mission of the City of Knowledge is to guarantee the promotion and facilitation of work between universities, research centers, and international organizations. It embraces international businesses and technologies as well as science centers and academic institutions. Organizations located here include the United Nations Development Program, the Office of High Commission for Human Rights, and UNICEF. Academic institutions include branches of Florida State and Canada's McGill University. The International Cooperation Biodiversity Group employs scientists from around the world who study native flora's medicinal benefits.

Organizations interested in setting up business here must complete an admission application explaining the business and the kind of research or technical expertise it can contribute to the City of Knowledge. You can obtain up to five two-year work visas if you rent a property within the City of Knowledge and operate a business from there. Applications must be approved by the private, non-profit City of Knowledge foundation that governs the City of Knowledge. Check out www.ciudaddelsaber.org/en for details.

Panama Pacifico at the crossroads of commerce

The new International Business Park in Panama Pacifico is being developed into a 26-hectare industrial and logistics park with corporate offices, call centres and facilities for distribution and light assembly companies. Hotels and the on-site airport provide travelers with easy access. As Panama Pacifico is a special economic area, certain industries benefit from special labor, legal, customs, immigration, and tax incentives.

Situated near the mouth of the Panama Canal, with east access to the Pacific and Atlantic oceans, ports and railroads, Panama Pacifico is 15 minutes from downtown Panama City, 45 minutes from Tocumen International Airport, and close to the Pan-American Highway that connects the Americas. Panama Pacifico's existing site infrastructure includes a fiber-optic loop to provide high-speed communication. Companies with expansion plans will find the business park is ready to accommodate future growth. For more information on the opportunities this area offers, check www.panamapacifico.com.

LANGUAGE AND EDUCATION

In Panama City, you can get by without speaking Spanish. Outside the capital, you can't.

Even if you decide to spend time in Panama City, you should make an effort to learn at least a few words of Spanish. Your experience of the place will be much fuller, much richer if you do. Many well-educated Panamanians speak two or even three languages, and it shows respect and good manners to make an effort to do the same. A basic understanding of the Spanish language while traveling—and certainly living—in Panama will serve you well. A few words of Spanish will endear your host, business partner, even taxi driver.

Spanish is the official language of Panama. Although English is taught in schools, a recent movement to make it a second official language was pronounced unpatriotic. You will hear some Spanglish, however—a mix of Spanish and English. Use your imagination!

In addition to Spanish and English, there are several indigenous languages spoken throughout the country. The Ngöbe and the Buglé each have their own language. The Embera, the Wounaan, and the Kuna also have different languages. You'll hear yet another language in Bocas del Toro, where the local West Indian population speaks wari-wari, a Creole language.

Your first Spanish word in Panama: Buenas

Panamanians are extremely friendly and polite. They would never walk past someone without a *buenas* (short for *buenos dias* or *buenas tardes*—good morning and good afternoon), the informal greeting used across the country in every location, whether it be on an elevator, in a store, or on the stairwell. It's important for you to do the same. This initial exchange is critical. It is part of Panama society and social well-being. More formal greetings are listed below, but you wouldn't even approach a stranger for directions without a *buenas* first.

Learning the language

The best—and fastest—way to learn Spanish in Panama is with the help of a private tutor, say a university student. This will cost you but about US\$10 an hour.

You'll also find plenty of Spanish-language programs here. In Panama City, the Language and International Relations Institute (ILERI) (*tel. 507-392-4086, website:* www.ileripanama.com), Amerispan (www.amerispan.com), and the Spanish Panama (*tel. 507-213-3121, website:* www.spanishpanama.com) offer courses. In Bocas del Toro, contact Spanish by the Sea, (www.spanishbythesea.com). In Boquete, contact Spanish by the River, (www.spanishbythesea.com), the sister school to Bocas del Toro's language school. Habla Ya Language Center, (tel. 507-730-8344, website: www.hablayapanama.com) is also good.

Online resources include <u>www.wordreference.com</u>, <u>www.freetranslation.com</u>, and <u>www.studyspanish.com</u>.

Spanish lessons

- American Academy language school, Perejil, Via España, Panama City, tel. (507) 223-7217
- **Amerispan**, 1334 Walnut St, 6th Floor, Philadelphia, PA 19107, tel. (toll-free): 800-879-6640, website: <u>www.amerispan.com</u>
- Cactus Language, tel. (toll-free) 1-888-577-8451; website: www.cactuslanguage.com
- ¡EPA! –Español en Panama, Av. Manuel Maria Icaza, Panama City, tel. (507) 391-5022; website: www.studyspanishinpanama.com
- Habla Ya Language Center, Boquete, tel. (507) 730-8344, website: <u>www.hablayapanama.com</u>
- **ILERI Spanish Language Center**, Panama City, tel. (507) 392-4086, website: <u>www.ileripanama.com</u>
- **Spanish by the River**, *Boquete, website:* <u>www.spanishbythesea.com</u>
- **Spanish by the Sea**, Bocas del Toro, website: <u>www.spanishbythesea.com</u>

Basic pronunciation

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Spanish spelling is phonetically consistent. Vowels are pronounced as follows:
a—like in all
e—like in let
i—"ee"
0-"00"
u—like in Buglé. U is not pronounced after "q" or when combined with "gue" or "gui,"
unless it has a diaresis ("), which gives it a "w" sound
Consonants are the same as their English counterparts. The b is usually soft. Other
exceptions are listed below:
c—"s" before e and i, otherwise a "k" sound
g—like "kh" before the letters e and i, otherwise as in "get"
h—silent
i—"kh"
ll—like the "y" in yellow
x—usually pronounced like a j
z—like an s
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Survival phrases and colloquialisms

If you've ever studied Spanish, you'll remember that the language has two forms of the pronoun "you." *Tu* is used for family members and children or close friends. The more formal *usted* is used for someone you've just met or for someone older than you. If you aren't sure which one to use, use *usted*. It is always more polite. And always use *usted* for police officers and public officials.

Spanish is a widely diverse language, and each Spanish-speaking population has its own special phrases and colloquialisms. The following are helpful to know in Panama:

Ciao—See you later.

Juega vivo—Keep on your toes/Be careful.

Oye—Hey there!

Que es lo que es?—What's up?

'Ta cool—That's cool.

Chino—a somewhat derogotary term for a corner store or storeowner, typically Chinese immigrants or Chinese-Panamanians

Paisanos—term used for someone from the same province as you; also used instead of "chino" and to describe Colombians

Palanca—slang for bus driver and also used for someone who uses connections or pulls strings to get things done

Pasieros—buddy, or friend

Palo—slang term for dollar or balboa

Ponchera—slang for a really fun party

Rumba—party

Pedir un bote—asking for a ride

Chantin—slang for home

Chiva—refers to local buses that drive within Panama

El pavo—the bus driver's companion who shouts destinations and jumps on and off the bus to call people aboard

Salve—slang for tip

Buena suerte—good luck

Entonces laope!—Hey dude!

Chuleta—My goodness! Wow!

Nos pillamos—We'll get together later/See you later.

Bien cuidado—well taken care of...used by someone who took care of car at a restaurant or parking lot in search of a tip

Con permiso—Excuse me...used when interrupting a conversation or passing someone on the sidewalk. Also used when entering someone's home.

Basic greetings and words to live by

Besides *buenas*, the most common verbal greetings include ¿Cómo está? ("How are you?"), ¡Buenos días! ("Good day!"), ¿Qué tal? ("What's up?"), ¿ Qué hay de bueno? ("What's good?"), ¿Cómo le ha ido? ("How's it been?"), ¿Cómo le va? ("How's it going?"), and ¡Hola! ("Hi!"). It's polite to ask about the family after you greet one another.

Common terms for saying good-bye include *¡Hasta luego!* ("See you later"), *¡Que le vaya bien!* ("May things go well for you!"), and in the cities, *¡Chao!* ("Good-bye"). You won't hear *adiós* very often. It's a more permanent "good-bye."

Por favor—please

Gracias—thank you

Muchas gracias—thanks very much

Hola—hello

Buenas—hello

Mucho gusto—nice to meet you

Buenos dias—good morning

Buenas tardes—good afternoon

Buenas noches—good night

Adiós—good-bye

Que le vaya bien—travel well

No entiendo—I don't understand.

¿Habla usted inglés?—Do you speak English?

Dinero—money

Tarjeta de crédito—credit card

Moneda nacional—currency
Monedas—coins
Mapa—map
Dirección—address
Intérprete —interpreter
Sello—stamp
Ser—be (verb)
Tener—have (verb)

Emergency words and phrases

Ayuda!—help!

Emergencia—emergency

Pare!—stop

Fuego—Fire

Llame a la policia/un medico/una ambulancia—Call the police/a doctor/an ambulance

Me puede ayudar, por favor?—Will you help me, please?

Basic necessities

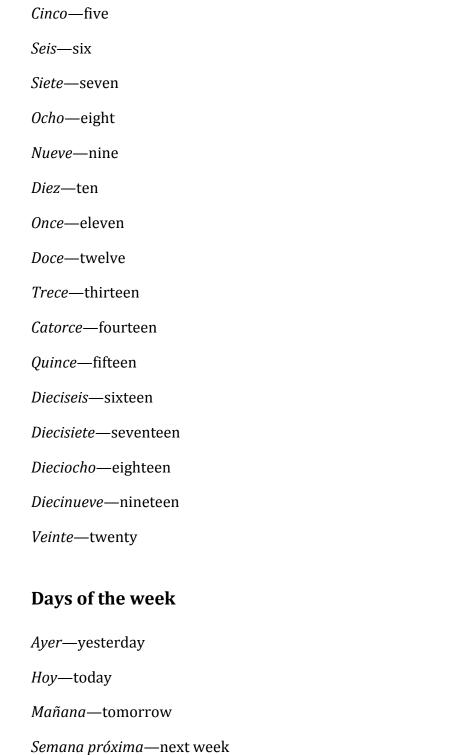
Numbers

Uno—one

Dos—two

Tres—three

Cuatro—four



El martes próximo—next Tuesday
El mes próximo—next month
La semana pasada—last week
Domingo—Sunday
Lunes—Monday
Martes—Tuesday
Miercoles—Wednesday
Jueves—Thursday
Viernes—Friday
Sábado—Saturday

Months of the year

Enero—January

Febrero—February

Marzo—March

Abril—April

Mayo—May

Junio—June

Julio—July

Agosto—August

Septiembre—September

Octubre—October

Noviembre—November

Diciembre—December

Time

Que hora es?—What time is it?

Es la una—It's one o'clock.

Son las dos y media—Half past two.

Son las seis— It's six o'clock.

Mediodia—noon

Medianoche—midnight

Ahora—now/later

Hoy—today

Esta noche—tonight

Mañana—tomorrow

Ayer—yesterday

Questions

Cómo—How?

Cuánto—How much?

Qué—What?

Cuándo—When?

Dónde—Where?

Quién—Who?

Porqué—Why?

Places

Aeropuerto—airport Banco—bank Estación de autobus—bus station Consulado—consulate *Medico*—doctor *Centro de la ciudad*—city center Embajada—embassy Casa de cambio—foreign-exchange office *Hospital*—hospital *Hotel*—hotel Farmácia—pharmacy Estación de policia—police station *Oficina de correos*—post office Estación de tren—railway station Centro de información turistica—tourist information center Agencia de alquiler de autos—car rental Accommodation *Tengo una reservación*—I have a reservation. Puedo ver una habitacion—Can I see a room? *Cuánto cuesta*—How much? *Por noche*—per night *Por persona*—per person

Por semana—per week

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Pension completa—full board

Más económico—cheaper

Tiene un teléfono—Do you have a telephone?

Llave—key

Equipaje—baggage

Ropa—clothes

Food and drink

guacho—rice and vegetables
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guacho—rice and vegetables

sancocho—typical Panamanian chicken soup

pollo—chicken

patacones—fried plantain slices

corvina—a white fish from the Pacific, similar to sea bass

camarones—shrimp

ceviche—raw fish in lemon juice and cilantro

Carimañola—a roll made of yucca and stuffed with meat

Tamale—Panama tamale is usually covered in banana leaf and boiled

platano maduro—fried ripe plantain

arroz con guandú—rice and pidgeon peas

hojaldras—deep-fried dough

Tortillas—usually thick and deep fried and served with eggs, cheese, and sausages

Agua—water

Cerveza—beer
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Chicha—drink made from fresh fruit, water, sugar, and ice
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Chicheme—drink made of corn, milk, and sugar

Guaro— hard liquor

Seco—a guaro, similar to vodka or gin, but made from sugar cane

Desayuno—breakfast

Almuerzo—lunch (between 12 p.m. and 2 p.m.)

Cena—dinner (usually after 7 p.m.)

Cuenta—the check

Hambriento—hungry

Sediento—thirsty

Shopping

A qué hora abre/cierra—What time does it open/close?

Quisiera comprar—I'd like to buy...

Sólo estoy mirando—I am just looking.

Puedo verlo—May I look at it?

Cuánto cuesta—How much is it?

La llevo—I'll take it.

La tienda—the store

El mercado—the market

Health

Estoy enfermo/a—I am sick.

Necesito un medico—I need a doctor.

Dónde está el hospital—Where is the hospital?

Estoy vacunado/a—I've been vaccinated.

Soy alergico/a—I am allergic to

Los antibioticos—antibiotics

Los maní—peanuts

La penicilina—penicillin

Soy asmatico/diabetico/epileptico—I am asthmatic/diabetic/epileptic.

Tengo tos/diarrea/nausea/un dolor de cabeza—I have a cough/diarrhea/nausea/a headache.

The Kuna language

Panama's indigenous peoples have their own languages as well. Following are some useful phrases to use with the Kuna people, for example:

Na—hello

Bede nued guddi—How are you?

An nuedi. Bedina—Fine thank you. And you?

Nuedi—fine

Igi be nuga—What is your name?

An yeel itoe—Nice to meet you.

Be bia lidi—Where are you from?

Qui mani—How much does it cost?

An bag-bie—I want to buy it.

An oakue—I'm sorry.

Aku ittoe—I don't understand.

Elle—yes

Suli—no

Dot nuet—thanks

Uis anga saet—please

Nabir, nuedi—good

Degi malo—Good bye.

Education and literacy

Education is highly valued in Panama. The literacy rate is 93%. Public school is free and compulsory for the first six years of primary education and 3 years of junior high school (age 7 to 15), with about a 95% attendance rate for children through secondary grades. Even the Indian *comarcas*, self-governed and sometimes isolated regions, offer village schools with Panamanian state-trained teachers. Fees may be charged for higher education.

Most teenagers expect to go to college or a university. Even though universities (there are 88 institutions of higher education in Panama) are inexpensive in Panama, many young people go overseas to finish their studies. Indeed, you'll find U.S.-trained professionals in almost every corner of Panama.

History of education

Public education began in Panama soon after independence from Colombia in 1903. By the 1920s, Panama already had a progressive educational system. Ten years later, a quarter of the national budget went to education, and primary-school enrollment had doubled. Adult illiteracy dropped to 28% by the 1950s, and by 1980 only 13% of Panamanians over 10 years of age were illiterate.

Today 93% of Panamanians are literate. You'll see the most apparent differences between rural and urban populations: 94% of city-dwelling adults are literate, compared to less than 66% of the rural population. Most of the country's Indian population has historically been illiterate.

Program choices for Panamanian students

Today, all children have to attend school until the age of 15. Most education is still publicly funded, although you will find some prestigious private and secondary schools in Panama's major cities. The oldest, largest, and most highly regarded of the public secondary schools was the National Institute in Panama City (currently called Instituto Fermin Nadeau). About 6% of primary students and 25% of secondary students attend private schools. Almost all schools require uniforms.

Two types of secondary school programs are available after the six-year primary program—an academic program and a vocational program. The academic program consists of two three-year cycles, beginning with a standard curriculum including Spanish, social studies, religion, art, and music, and finishing with courses in arts and sciences. Near three-quarters of all students attend an academic program.

The remaining quarter of students pursue the vocational program, which offers professional or technical courses to give students the technical skills needed for employment following graduation. The vocational program is also divided into two cycles, and students can choose from a variety of specializations, including agriculture, art, commerce, and industrial trades.

Admission to the university normally requires a graduation certificate (*bachillerato*). The first university in Panama was a Jesuit university founded in 1749. It closed 18 years later and the Colegio del Istmo was founded early in the 19th century. It too failed and Panamanians who wanted a high education went abroad or to Colombia until 1935, when the University of Panama was founded. Today, almost three-quarters of university students attend the University of Panama. The University of Santa María la Antigua, a private Roman Catholic institution established in 1965, and the Technical University, founded in 1981, are also popular choices. The remaining students attend other private or public universities—some of which are North American establishments—or study abroad.

Schools in Panama

Panama boasts many good international school options and can be a top choice if you're thinking of making a move abroad with children. Here's a list of top options for primary and secondary education in Panama. Many offer programs in Spanish and English.

- Academia Interamericana de Panama, Costa del Este, , Panama City, tel. (507) 271-0012; website: www.aid.edu.pa, bilingual English and Spanish school
- Balboa Academy, Av. Morse, Ciudad del Saber, Panama City, fax (507) 211-3319, tel.
 (507) 211-0035, a private non-profit co-educational day school with an American college preparatory educational program from pre-kindergarten through 12th grade for students of all nationalities
- Colegio Episcopal de Panama, Calle Carlos Arias, Nvo. Reparto, El Carmen, Panama City, tel. (507) 223-4836
- Colegio Europeo Panama, Calle 74 A-E, San Francisco, Panama City, tel. (507) 270-1187, kindergarten and primary grades with German, Spanish, and English classes
- **Colegio Internacional Oxford**, Av. Federico Boyd, Panama City, tel. (507) 265-6422, fax (507) 265-7446
- Colegio Internacional Saint George de Panama, Via Nuevo Club de Golf, Panama City, tel. (507) 220-4585, bilingual programs for pre-school, primary, secondary
- Colegio Internacional SEK, Nuevo Club de Golf, Panama City, tel. (507) 220-9718
- Colegio Isaac Rabin, Clayton Edif. 156, Panama City, tel. (507) 317-0060, fax (507) 317-0058
- Colegio Javier, Calle 4 Perejil, Panama City, tel. (507) 269-4222/269-4040/269-4973
- Colegio Parroquial San Judas Tadeo, Cl C, Juan Diaz Jardin Olimpico, Panama City, tel. (507) 233-3667
- Colegio Real de Panama, Altos de Panama, Panama City, tel. (507) 230-3349
- **Colegio San Augustin**, Costa del Este, Avenida San Augustin, Panama City, tel. (507) 271-4590
- **Crossroads Christian Academy**, Omar Torrijos Herrera Ave., Cardenas, Panama, tel. (507) 317-9774
- Lincoln Academy, Calle Alberto Navarro, El Cangrejo, Panama City, tel. (507) 223-4563
- **Rincon Infantil Montessori**, Calle 70, San Francisbo, casa #84, Panama City, tel. (507) 226-1651

• **The International School of Panama**, *Carretera Nuevo Club de Golf, Panama City, tel. 293-3000*, pre-K to adult programs

There are many national and international universities of Panama. They include:

- **Columbus University**, Av. Ramon Arias, Panama City, tel. (507) 263-3893; website: <u>www.columbus.edu</u>
- **Florida State University Panama**, Cl La Boca Balboa, Panama City, tel. (507) 314-0367; website: http://panama.fsu.edu
- **Universidad de Panama**, Via Simon Bolivar, Panama City, tel. (507) 523-5600; website: www.up.ac.pa
- **Universidad del Istmo**, Av. Justo Arosemena y Mexico, Panama City, Tel. (507) 227-8822, website: <u>www.udi.edu</u>
- **Universidad Interamericana de Panama**, Edificio Ocean Business Plaza, Marbella, Panama City, tel. (507) 208-4444; website: www.uip.edu.pa
- **Universidad Latina de Panama**, Via Ricardo J. Alfaro, Panama City, tel. (507) 230-8600; website: www.ulat.ac.pa
- Universidad Latinoamericana de Ciencia y Tecnologia, Via España y Cl.74 Carrasquillas, Panama City, tel. (507) 224-0326; website: www.ulacit.ac.pa
- Universidad Santa Maria La Antigua, Via Ricardo J. Alfaro, Panama City, tel. (507) 230-8299; website: http://usmapanama.com
- **Universidad Technologica de Panama**, Via Ricardo Alfaro, Panama City, tel. (507) 290-8416; website: www.utp.ac.pa

HEALTH AND SAFETY

Health

It's safe to say that Panama has the best deal for health insurance in the hemisphere. First off, it's good. Really good. Many doctors are trained in the U.S., can speak English, and are well-versed in all prescriptions and ailments. Second—it is inexpensive, even as little as US\$5 for a doctor's visit. Even massage therapists charge less than half what they do in the States. Private health insurance and prescription drugs are readily available and much less expensive than their U.S. equivalents. Or keep your current policy: American private health insurance policies are accepted in some Panamanian hospitals.

Finally, it's accessible. You'll find modern hospitals and U.S.-trained doctors in both David and Panama City. Good health centers are located in even the small towns of Panama. Panama guarantees health care facilities for both nationals and foreign visitors who may need them.

Before you go

First off, get your medical records together. You'll need to have copies on hand while in Panama. It's best to have them translated into Spanish. Bring medicine in original containers and mark them. If you have a medical condition, we recommend you carry a signed, dated letter from your doctor.

Second, make sure your immunizations are up to date. Although it's not necessary to get immunizations for travel almost anywhere in Panama, remote areas like Darién do pose risks. Consider precautions against yellow fever and malaria. We also recommend you get protection against Hepatitis A and B. Hepatitis B immunization is especially recommended for health care workers and for children who have not previously received the vaccinations. Yellow fever, although very rare, is fatal; travelers who plan to visit rural areas should be protected against it.

Information on vaccinations and other health precautions, like keeping food and water safe and protecting against insect bites, may be obtained from the Centers for Disease Control and Prevention's hotline for international travelers, 800-CDC-INFO (800-232-4636), website: wwwn.cdc.gov/travel. For information about outbreaks of infectious diseases abroad, consult the World Health Organization's (WHO) website, www.who.int/en.

For a list of health-related translations, turn to the language chapter.

While you're there

Public vs. private care

Panama has two health care systems—public and private. The public institutions are run by the Caja de Seguro Social (Social Security System) or the Ministerio de Salud (Ministry of Health). Working Panamanians receive free health care and prescription medication from hospitals and clinics within the Social Security System. Unemployed Panamanians receive health care through the Ministry of Health.

Most Panamanians with extra money and foreigners usually prefer the private hospitals.

Hospitals and clinics

Hospital Punta Pacifica, the only Johns Hopkins-associated hospital in Central America, is probably the best—and most expensive—in Panama. Also recommended is Clinica Hospital San Fernando, located on Via España in Panama City, which was Panama's first private hospital. It also opened a 24-hour clinic in Coronado, a tourism and vacation hot spot on Panama's Pacific Coast.

Hospital Nacional, on Ave. Cuba in Bella Vista, began as a women's hospital more than 35 years ago. It accepts international health care plans and offers ambulatory and emergency care for U.S. veterans. Its international department has a bilingual staff to assist tourists and foreign residents.

Centro Medico Paitilla, in Punta Paitilla, is one of Panama's oldest private hospitals. It has a well-known oncology unit.

Most large towns in Panama's interior provinces also have private and public hospitals. It's hard to find English-speaking doctors outside Panama City, although there are decent *centros de salud* (health centers) in almost every town in Panama.

Hospital contacts:

- Centro Medical Nacional, Avda Justo Arosemena, Panama City; tel. (507) 227-5444
- **Centro Medico Paitilla**, *Avenida Balboa and Calle 53, Panama City; tel. (507) 269-5222*, associated with the Cleveland Clinic
- Clinica de Especialidades Medicas, Av. Justo Arosemena, Panama City; tel. (507) 225-0126
- Clinica Hospital San Fernando, *Via España, Las Sabanas, Panama City; tel. (507) 305-6300,* includes an international office, helpful for foreigners
- **Hospital Nacional**, *Avenida Cuba*, *Calle 38 and Calle 39*, *Panama City; tel. (507) 207-8100*, run by the American Hospital Management Company
- **Hospital Punta Pacifica**, Bvd. Punta Pacifica, Panama City; tel. (507) 204-8300

For further details on doctors in Panama, contact The Official ABMS Directory of Board Certified Medical Specialists, published for the American Board of Medical Specialists and its certifying member boards. Also, U.S. embassies and consulates in Panama have lists of local hospitals and physicians.

Alternative therapies

Alternative therapies have been popular in Panama for centuries. Indigenous populations have relied on the many medicinal plants of Panama to cure everything from bad dreams to stomachaches. The Panama tree's nut-like fruit offers medicinal purposes. The jobo tree offers cures for colds and reduces fevers. And Panama's plants are receiving worldwide recognition for their benefits: The International Cooperation Biodiversity Group employs scientists from around the world to study Panamanian flora's medicinal benefits.

Today, herbal medicine, indigenous medicine, and traditional medicines and therapies are as prevalent in Panama as modern medicine. You'll find many homeopaths, homeopathic pharmacies, acupuncturists, and chiropractors (most of whom are trained in the States). Massage therapists charge about US\$30 for a one-hour house call.

Health insurance in Panama—your two options

Private health insurance is available and much less expensive than insurance in the U.S....mainly because doctor's fees and hospital visits are much cheaper. The Social Security Medicare Program does not provide coverage for hospital or medical costs outside the U.S., and it's important to have medical insurance while living or traveling here. Look into your coverage and make sure you are covered overseas. Those that provide "customary and reasonable" hospital costs abroad may not pay for medical evacuation back to the U.S.— which can cost upward of US\$10,000. Also consider what you'll be doing while in Panama.

You'll find a list of recommended insurance companies at the end of this section. Be sure to ask the following:

Does the policy cover emergency expenses abroad like medical evacuation?

Does it cover high-risk activities like scuba diving or mountain climbing?

Does it cover pre-existing conditions?

Does the company require pre-authorizations before treatment can begin?

Does the company guarantee payments overseas?

Will foreign hospitals and doctors get paid directly?

Does the company have a 24-hour doctor-on-call service?

Health insurance in Panama is basically divided into two major types: Local HMOs, which provide coverage only for Panama, and international policies that work through an established network of doctors, labs, and hospitals. In Panama, health insurance is sold by brokers who are not employed by any one company. The broker can explain what each company offers and the various rates of coverage.

The local HMO-style policies are useful if you anticipate needing coverage only in Panama. Coverage varies widely, but generally is between US\$300,000 and US\$500,000. You are limited to a select group of doctors and hospitals. Go outside the group, and you will be reimbursed for 60%. Deductibles on these policies are anywhere from US\$300 to US\$500 annually per insured person. You can buy coverage from US\$60 per month to US\$150 per month, depending on your age and health, the type and quality of the coverage, whether or not you want to choose your own hospitals and doctors, and deductible amounts.

International coverage, as the name implies, extends to any country in the world where you incur medical expense. The amount of coverage varies from US\$700,000 to US\$1.5 million for the life of the policy.

In most cases, you'll have to be reimbursed your expenses. Since the U.S. is an important destination for Panamanians, however, some companies have established relations with a network of hospitals and doctors through an administration company in the U.S. In this case, you only need to present your health insurance card in the U.S. to bill the insurance company directly. The deductible available for international coverage varies from US\$1,000 to US\$10,000 per year. Of course, expect rates to increase with age.

If you prefer a less-expensive option, elect a plan that allows you to pay for outpatient visits out of pocket. Outpatient visits, lab work, and exams are relatively inexpensive, ranging from US\$5 a visit for a general practitioner to US\$50 for a specialist in a private clinic. A "catastrophic" insurance policy would then cover more difficult situations.

We recommend the Hospital Santa Fé's health insurance program, which includes more than 100 doctors with all medical specialties. The program covers hospital care, outpatient care, and emergency care including emergency room and ambulances, at affordable prices.

Military health insurance options include Tricare, which is accepted at some major hospitals in Panama. The Latin America/Caribbean Veterans of Foreign Wars can be contacted by e-mail at vfwlatam@vfwlatam.org.

A list of medical evacuation companies and health insurance is available at http://travel.state.gov/travel/tips/tips/1232.html.

Following are some insurance companies for residents of Panama:

- **Alico**, American International Building, Calle 50 and Aquilino De la Guardia, Panama City, tel. (507) 208-8000, fax (507) 208-8001, part of the AIG group, which offers only group coverage
- **ASA**, Phoenix, AZ, tel. 888-ASA-8288
- **Aseguradora Ancon,** Ave. Samuel Lewis and Clle. 54, Torre AFRA, Panama City, tel. (507) 210-8777
- **Aseguradora Mundial de Panamá, S.A.,** Avenida Balboa, Calle 41 Bella Vista, Panama City, tel. (507) 207-8700, website: <u>www.amundial.com</u>;

- AXA PPP, tel. 44-1892 708 101, e-mail: pppint.sales@axa-ppp.co.uk, fax 44-1892 508608, Phillips House, Crescent Road, Tunbridge Wells, Kent, United Kingdom, TN1 2PL; healthcare for resident expats or local nationals
- **BUPA Latin America**—Contact Gonzalo de la Guardia, Panama City, tel. (507) 6671-3357 or access <u>www.liveandinvestoverseas.com/general-category/international-bupa-health-insurance.html</u>
- **Clements International**, 1660 L Street NW, 9th Floor, Washington, DC 20036, tel. 202-872-0060, <u>info@clements.com</u> offers coverage for property, automobiles, health, and liability
- Compañía Internacional de Seguros, S.A., Edificio Plaza Credicorp, Calle 50 Pisos 19 al 21, Panama City, tel. (507) 206-4000, website: www.iseguros.com
- Expatriate Life insurance, 45 Market Street, Hoylake, Wirral, United Kingdom CH47 2BQ; tel. 44-151-632-6666, e-mail: chris@life-ins.co.uk
- **Gateway Connexions,** 2960 North Meridian Street Indianapolis 46208, tel. 1-317-655-4500, website: <u>www.gatewayconnexions.com</u>
- **Hospital Santa Fé Health**, *tel.* (507) 227-4733, offers a variety of plans with English-speaking doctors
- **International Medical Group,** 2960 North Meridian Street, Indianapolis, IN 46208, tel. 1-317-655-4500, website: www.imglobal.com
- **Medisalud**, El Dorado, in front of Niko's Café, Panama City, tel. (507) 209-5995; website: www.medisalud.com.pa
- **Pan American Insurance Company (Palic)**, *Calle Aquilino De La Guardia, Entre Calles 47 y 48, Panama City, tel. (507) 208-4200*, the first company in Panama
- Wallach and Company, Inc., 107 West Federal Street, PO Box 480, Middleburg, Virginia 20118, tel. 800-237-6615, 540-687-3166, website: www.wallach.com

Companies that provide med evac assistance include the following:

• Acadian Ambulance Service, PO Box 98000, Lafayette, LA 70509-8000, tel. 1-800-259-3333, website: <u>www.acadian.com</u>

- **Advanced Air Ambulance,** 12360 SW 132nd Court, Suite 208, Miami, FL 33186-6463, tel. 800-633-3590, 305-232-7700, website: <u>www.flyambu.com</u>
- **Air Ambulance Network,** *tel.* 800-327-1966; *website: www.airambulancenetwork.com*
- American Jets, Inc., St. Lucie County International airport, 3190 Airmans Drive, Fort Pierce, FL 34946, tel. 772-380-4167, 888-633-5381, website: www.americanjets.net
- Medex, 8501 LaSalle Road, Suite 200, Baltimore, MD 21286, tel. 1-800-732-5309; website: www.medexassist.com
- Smartravel, tel. 1-703-333-6155, 1-800-730-3170; website: <u>www.smartravel.org</u>
- Travel Care International, tel. 715-479-8881, 800-524-7633; website: <u>www.travel-care.com</u>

Pharmacies and prescriptions

Most *farmácias* are privately owned; only those associated with private clinics or public hospitals are open 24 hours. Many pharmacies are open late at night and many grocery store pharmacies are 24-hours.

Prices for prescriptions drugs are low. Another bonus: Many drugs that require a prescription in the U.S. are available over-the-counter in Panama. Be sure you know the name of your medicine in Spanish.

Environmental factors

There is no doubt that Panama has seen its fair share of environmental problems. The deforestation of its land is testament to that. Fifty years ago, 70% of Panama's land was covered by forest, while only about 40% of its land today is forested. Although the government and residents are making concerted efforts to remedy these former errors—25% of total land is set aside for conservation today—increased foreign investment and a desire to improve tourist infrastructure creates an uphill battle. Environmental impact studies are now required for many developments. Also, ANAM has been working with such organizations as the National Confederation of Private Enterprises and the Mining Chamber of Panama to increase environmental awareness.

Air pollution (people love to drive in Panama), which is most concentrated during the rainy months of May through December, and water pollution from agricultural runoff cause additional environmental problems. Add to that soil erosion around the Panama Canal, and it's clear that Panama and its people have some environmental battles ahead.

Panama also suffers with endangered species. In fact, according to the World Conservation Monitoring Centre, more than 100 species in Panama are almost extinct. They include the sea turtle, the jaguar, the American crocodile, and dozens of birds. Unfortunately you can find their body parts (jaguar teeth or turtle shells, for example) for sale or consumption in many parts of Panama. Don't eat or buy them.

Marine dumping and whaling are further problems.

The following are environmental organizations working to protect Panama and its biodiversity:

- **ANCON**, tel. (507) 314-0057; website: <u>www.ancon.org</u>
- Audubon Society, tel. (507) 232-5977; website: www.panamaaudubon.org
- Conservacion del Parque Nacional Volcán Barú, tel. (507) 263-4963; website: www.volcanbaru.cjb.net
- **Dobbo Yala**, Urb. Linares, El Carmen, Panama City, tel. (507)261-7229
- Institute for Tropical Ecology and Conservation; website: <u>www.itec-edu.org</u>

Water quality

Even if you use the utmost precaution, you might get sick in Panama. Although the tap water in Panama City and Colón is safe to drink, for example, you may still suffer from diarrhea if you are not used to it.

In Bocas del Toro avoid the water altogether. Generally, ask for drinks with no ice, boil tap water before you drink it, eat cooked or peeled food and avoid street vendors. Most restaurant food is fine.

Smoking

In 2008 Panama enacted a new, tough, anti-smoking law to ensure the health of the population. It bans smoking in public places, including cinemas, theaters, museums, restaurants, retail centers, in and around dance centers, casinos, commercial warehouses, video arcades, chapels, convention centers, and concerts.

The law also prohibits the advertising of tobacco products.

Sanitation

Panama enjoys a high access to sanitation compared to other Latin American countries. Even so, according to the Committee for Economic and Cultural Rights of the United Nations, 16% of the population doesn't have access to potable water in Panama (Source: *La Prensa*, March 23, 2010).

Disabled access

Until recently there was almost no accessibility for people with disabilities and in wheelchairs. Today, increasing numbers of hotels and establishments provide access for disabled people. The Instituto Panameño de Habilitacion Especial, *tel.* (507) 501-0508 was created to help all disabled residents and travelers in Panama.

In addition, former President Moscoso signed a decree in 2002 to strengthen the foundations of equal opportunities for people with disabilities, granting them more opportunities for employment. The previous First Lady of Panama, Vivian Fernandez de Torrijos, has also been acknowledged for her work with disabled children.

Health tips

Panama is extremely hot—especially in the lowlands—so take precautions against sunstroke and heatstroke.

- Drink lots of liquids;
- Use sunblock when outdoors:
- Carry bottled water;

- Wear mosquito repellant to discourage mosquitos, no-see-ums, sand fleas, and ticks;
- Wear adequate clothing and carry plenty of water and maps when hiking.

Safety

Panama is extremely safe for foreigners, in large part because Panama's tourist industry is booming and the government wants to keep it that way. Special tourist police are stationed throughout the major cities for assistance and protection, and police checkpoints are increasingly frequent. Another deterrent: Anyone who commits a crime against a tourist faces severe punishment.

However, as with any major city, Panama City and Colón do see some crime. Be especially careful in Chorillo, Ancón, Curundú, Veracruz Beach, Panama Viejo, and the Madden Dam overlook. Crimes range from petty theft to assault and robberies.

Panama emergency numbers:

All Emergencies—911

Fire—103

Ambulance—103

Ambulance Alerta—(507) 269-1111

Ambulance SEMM—(507) 366-0122

Ambulance Vive—(507) 279-3111

Police—104

Directory Assistance—102

Panama Tourism Authority (ATP), *Panama City, tel. (507) 526-7000; website:* <u>www.atp.gob.pa</u>

Safety tips

Better safe than sorry. Always take basic precautions against crime. When traveling in Panama, follow these safety guidelines:

- Do not leave valuables in cars or on tables in cafés:
- Keep non-essential valuables locked in hotel safes when not in use;
- Avoid carrying large sums of cash;
- If you are female, don't travel alone at night if possible;
- Also, stay away from unauthorized taxis and don't share your taxi with a stranger;
- Carry photocopies of your passport instead of the original. If you do lose your passport, report it to the local police and the nearest embassy or consulate of the country from which the passport was issued.
- **British Embassy**, P.H. MMG Tower, 4th floor, Calle 53, Marbella, Panama City, tel. (507) 269-0866; website: http://ukinpanama.fco.gov.uk/en/
- Canadian Embassy, Torre de las Americas, Torre A, 11th floor, Punta Pacifica, Panama City, tel. (507) 264-2500; website: http://www.canadainternational.gc.ca/panama/index.aspx?lang=eng
- Consulate of Ireland, Cl. Elvira Mendez and Via España, Panama City, tel. (507) 264-6633
- U.S. Embassy, Clayton, Panama City, tel. (507) 207-7000; website: http://panama.usembassy.gov/

COMMUNICATIONS

If staying in touch is your main priority, Panama should be at the top of your "Places I'm Considering Living Overseas" list. Wireless is increasingly the norm in Panama City, and broadband is reaching throughout the country. In Panama City, unlike most anyplace else in Central America or the Caribbean, you could be a day-trader and not go nuts.

You can also count on the lights going on every time you flip the switch and on the call going through everyone you phone home. One thing that's not so reliable is international mail delivery. Most expats in the country arrange for a post office box in Miami through an international mail-forwarding service.

The history of communications in Panama

Historically, Panama has always been an important media hub, largely due to its strategic location between North and South America. Radio broadcasting in Panama began in 1922, and television broadcasting in 1956. The media of Panama was especially influenced by the U.S. after the construction of the Panama Canal. A famous military broadcast network, the Southern Command Network (SCN), broadcasted in Panama until the U.S. withdrew from the canal in 1999. It even remained on the air during the U.S. invasion of Panama in 1989.

The media was under strict control from 1968 to 1989; the newspaper *La Prensa* was formed in 1981 specifically to oppose Noriega's rule. The media was anti-American until the overthrow of Noriega. Today, freedom of the press is guaranteed in Panama. Newspapers with the largest circulation are *El Panama America*, *La Critica*, *La Prensa*, and *El Siglo*; all are published in Panama City. A newspaper that is published weekly is *La Cronica*.

History of telecommunications

The last 20 years has seen many telecommunications changes in Panama. The National Institute of Telecommunications (INTEL-Instituto Nacional de Telecomunicaciones) was privatized in 1997. Companies pre-qualified to buy the rights to 49% of INTEL were Cable and Wireless, GTE, and South Western Bell. South Western Bell retired before negotiations

got underway, leaving Cable and Wireless and GTE to fight it out. Cable and Wireless won the 49%. The government still owns the remaining 51%.

In 2003 the telecommunications market was deregulated, and other companies were allowed to enter the market. Finally there were more choices in service providers, which meant better costs for users and improvements in infrastructure. Today Cable and Wireless, still the main provider in Panama, is joined by Cable Onda, and Clarocom; all three provide competitive rates for national and international calls. So far, companies have similar national coverage plans but cover different areas. Networks are expanding, however, and new towers are being placed around the country.

Public coin- and card-operated telephones are also accessible and easy to use. Coinoperated telephones accept 5, 10, and 25 centavos.

Approximately 15% of Panamanian households have a telephone line. Local calls represent 73% of total communications, while the mobile communications market is growing at a considerable fast pace with more than 2,300,000 customers.

Cell phone options

Right about the time the telephone industry was deregulated, new cell phone providers entered the market. Today cell phone providers included Cable and Wireless, Telefonica, Digicel and Claro.

If your cell phone doesn't have universal coverage, buy a prepaid cell phone at the airport for around US\$30 (sometimes free with specials) and charge the phone with a US\$5 or US\$10 card. This allows the receipt of unlimited incoming call for 30 days once the phone is activated even if you use your out-going minutes. If you don't speak Spanish, be sure to get the language changed to English before you leave the store.

Cell phones are not as reliable as land lines are in Panama. You'll experience problems daily. Some blame the large influx of people moving to and visiting Panama for the problems, others the mountain ranges. I've heard of expats who carry a contract cell from one company and a prepaid from the other.

VOIP (voice over internet) is a workable alternative here. ClaroCom has a new VOIP service called Claro Lite (www.clarocom.com/clarolite/habla.aspx) that offers local numbers in Panama. Skype is also available.

Calling cards in Panama

You can purchase calling cards from a local telephone monopoly or from third-party telecommunications suppliers. Or simply use whatever is offered by your current telephone service.

Calling cards purchased from the local telephone monopoly are used like cash and sold in incremental values. You can use them for both local and long-distance calls. To place a call simply lift the receiver, insert the card, and dial the number. Use the card until all your minutes are gone.

If you purchase a card from a third-party telecommunications supplier like a store or vending machine, you'll call an access telephone number and enter an authorization code before placing your call. You can use them for both local and long-distance calls and you can buy them in pre-paid disposable and pre-paid rechargeable forms. Rechargeable cards can have value added at any time over the telephone or Internet.

You'll see merchants walking traffic lanes selling prepaid minutes and holding signs for specials on calling cards, some offering double or triple the face value (US\$5 is worth either US\$10 or US\$15).

Telephone call-back services

You can sometimes save big when using a call back service. Call back service companies access another country's phone system in order to take advantage of lower rates. As a callback user in Panama, for example, you'll call a number in the U.S. which will automatically call you back. You'll hear a dial tone, and you can dial any number in the world as if you were calling from the U.S. You are charged at U.S. rates rather than Panama rates.

You must establish the call back service before you leave for Panama, however. You can't move around the country and use a call-back service. It will only work if you have a standing telephone number there.

Panama phone dialing guide

Country code: 507

To call Panama, dial your international access code + 507 + local number (seven/eight digits)

From the U.S., dial 011 + 507 + seven/eight-digit local number

From the UK, dial 00 + 507 + seven/eight-digit local number

International calls to cell phones in Panama: 507 + seven/eight-digit number.

Calls from Panama to other countries

To make an international call from Panama: 00

To call a country from Panama, dial 0 + country code + area code + local number

To the U.S., dial 0 + 1 + area code + local number

To the UK, dial 0 + 44 + area code + local number

Calls within Panama

Panama has no area codes. Just dial the seven/eight-digit telephone number direct. All calls within Panama are considered local.

The first digit of the seven-digit number can indicate the destination of a call:

Bocas del Toro-7

Chiriqui-7

Coclé-9

Colón-4

Herrera-9

Los Santos-9

Panama City-2, or 3, or 5

Veraguas-9

Live and Invest in Panama

Remember: Toll-free telephone numbers are not available. Cell phone numbers start with the prefix "6" and contain eight digits. To connect with a local international operator, dial 106. For an international operator in the U.S., dial 108.

Emergency and assistance numbers

Police: 104

Fire: 103

Ambulance: 103

Directory: 102

Rates

Local calls cost 10 cents for the first three minutes, and then 5 cents a minute. Calling cell phones is more expensive—about 35 cents, but may vary depending on special offers. A call to the States will be about 7 cents a minute.

An operator-assisted call will cost you double a direct call. To make a collect or credit card call to the U.S., dial one of the following access numbers. Public phones require a deposit.

AT&T: 00-800-001-0109

Sprint:115

MCI: 108

Telephone service providers

- **Cable & Wireless (C&W)**, website: www.cwmovil.com/movil/index.asp, offers land lines, contract cell phone service, and prepaid cell phone service
- **ClaroCom**, website: <u>www.clarocom.com</u>, is the newest service in Panama.
- **Digicel**, website: <u>www.digicelpanama.com</u>
- **Movistar**, *website*: <u>www.movistar.com.pa</u>, offers contract cell phone service and prepaid cell phone service. Movistar also has a plan for calling between cell phones with the same service

You can sign up for all the services you would at home, like call waiting, voicemail, conference calling, and call forwarding services.

Fax machines

You can find a fax machines anywhere—certainly in hotels—and service is good. Most post offices and top-end hotels have telegram services.

Panama postal service

Most expats find it easier and more reliable to set up a post office box in Miami and have mail brought from there to Panama by a mail company. Air Box Express, Air Facility, and Mail Boxes, Etc send and receive mail. Air Box Express delivers mail and packages directly to your home. Mail Boxes Etc. receives them at their location, where you pick them up. Most companies charge an annual fee, about US\$25, and may charge additionally by weight.

The central Panama City post office (Correos y Telégrafos) is open Monday to Saturday from 9 a.m. to 3 p.m., and is located in Calidonia in front of the Don Bosco church (*tel. 507-512-7601*). It costs 35 cent to send a letter or a postcard that weighs less than 20 grams. Mail to North America or Europe takes 5 to 10 days. Incoming mail could take considerably longer.

Shipping options

We recommend an international package service such as DHL or FedEx for shipping items to North America or Europe. These companies are reliable and packages arrive within a day or two. Rates vary depending on company.

If you need a shipping company for bigger jobs—like moving household goods to Panama—contact Crown International Forwarders, 1814 Dimmocks Mill Road, Hillsborough, NC 27278, 800-631-6881, Panama Relocation, tel. (507) 271-0029, website: www.panamarelocation.com, IntlMove Inc., or Nobel Panama Relocation.

Once you've arrived, a recommended customs broker is Flor de Leon, *tel.* (507) 314-0643, (507) 314-0644.

Radio and television stations

In 2000 there were 300 radios and 194 television sets for every 1,000 people. Today Panama has three commercial TV stations, two with public broadcasting. Seventy-five percent of all homes own a TV set. Sixteen Internet service providers serve more than 500,000 subscribers.

Panama's more than 200 AM and FM radio stations are mostly commercial, and you can find everything from classical and Latin rock to reggae, salsa, and traditional Panamanian.

The following are a few radio stations. All broadcast in Spanish.

- La Mega
- Marbella Estereo
- Los 40 Principales
- Omega Stereo
- Radio 10
- RPC Radio
- Super Q
- WAO 97.5

The following are TV stations:

- FE TV Canal 5
- RCM Television
- RPC TV
- Telemetro Panama
- TV Nacional Canal 2

Daily newspapers and magazines

Panama's main daily newspaper is *La Prensa*; other dailies are *El Panamá América, La Crítica*, and *La Estrella*. *La Prensa* publishes a weekend guide supplement on Thursdays.

The English-language *Panama News* is available online at <u>www.thepanamanews.com</u>. The free, bimonthly *Panama Visitor* is in Spanish and English. You can find copies of the *Miami Herald* in English at supermarkets and at the Gran Morrison chain. You can also find the *Wall Street Journal, Miami Herald, Washington Post, New York Times, USA Today, Time,* and *Newsweek* at many large hotels.

The following is a list of newspapers and magazines available in Panama:

- Noticias de Chiriqui; website: <u>www.noticiasdechiriqui.com</u>
- El Dia a Dia—with economy and general information; website: www.diaadia.com.pa
- El Panama America; website: <u>www.pa-digital.com.pa/periodico/edicion-actual/index.php</u>
- El Siglo—Panama City; website: <u>www.elsiglo.com</u>
- Entérate Panama—for nightlife and culture; website: www.enterate.com.pa
- Hoy; website: www.hoyenpanama.com
- La Crítica; website: www.critica.com.pa
- La Estrella de Panamá; website: www.laestrella.com.pa/online/inicio.asp
- La Prensa; website: <u>www.prensa.com</u>
- Panama Capital Financiero; website: <u>www.capitalfinancieropanama.com</u>
- *The Bocas Breeze*—a newspaper with resources and articles about living in, moving to, or visiting Bocas del Toro; *website:* <u>www.thebocasbreeze.com</u>

The following is a list of Internet-based news media:

- Panama Guide, <u>www.panama-guide.com</u>
- Panama News, <u>www.thepanamanews.com</u>
- Topix, <u>www.Topix.net/world/panama</u>

SUGGESTED READING

Nature and ecology

A Bird-finding guide to Panama, by George Angehr and Dodge and Lorna Englman, Panama Audubon Society, 2008

A Guide to the Birds of Panama, by Robert Ridgely and John Gwynne, Princeton University Press, 1992.

A Neotropical Companion, by John Kircher, Princeton University Press, 1999.

Field Guide to the Orchids of Panama and Costa Rica, by Robert Dressler, Cornell University Press, 1993.

Sea Turtles: A Watcher's Guide, by M. Timothy O-Keefe, Larsens Outdoor Publishing, 1995.

The Tapir's Morning Bath: Solving the Mysteries of the Tropical Rainforest, by Elizabeth Royte, Mariner Books, 2002.

The U.S. and the Republic of Panama, by William D. McCain; Duke University Press, 1937.

The Use of Gold and Other Metals among Ancient Inhabitants of Chiriqui, Isthmus of Darien, by William H. Holmes; Govt. Print. Office, 2007.

The Windward Road: Adventures of a Naturalist on Remote Caribbean Shores, by Archie Carr, University Press of Florida, 1980.

Tropical Forest Ecology: A View from Barro Colorado Island, by Egbert Leigh, Jr, Oxford University Press, 1999.

Trees and Shrubs of Panama, by Luis Carrasquilla, University of Panama, 2006

Indigenous people

A People Who Would Not Kneel: Panama, the U.S., and the San Blas Kuna, by James Howe, Smithsonian, 1998.

The Art of Being Kuna: Layers of Meaning Among the Kuna of Panama, by Mari Lynn Salvador, University of California, 1997.

The Kuna Gathering: Contemporary Village Politics in Panama, by James Howe, University of Texas Press, 2002.

The Kunas of San Blas, by Paul and Anne Hemmers, Stuart, Florida, 2000.

The Phantom Gringo Boat: Shamanic Discourse and Development in Panama, by Stephanie Kane, Smithsonian Institution Press, 2004.

The People of Panama, by Mavis Biesanz, John Biesanz; Columbia University Press, 1955.

History

A History of Organized Labor in Panama and Central America, by Robert Alexander, Praeger, 2008.

Emperors in the jungle: the Hidden History of the U.S. in Panama, by John Lindsay-Poland, Duke University Press, 2003.

Global Passage: Transformation of Panama and the Panama Canal, by Robert McMillan, BookSurge Publishing, 2009.

Historical Dictionary of Panama, by Basil C. Hedrick, Anne K. Hedrick; Scarecrow Press, 1970.

Panama, by Kevin Buckley, Touchstone, 1992.

Panama Fever: The Epic Story of one of the Greatest Human Achievements of All Time—The Building of the Panama Canal, by Matthew Parker, Doubleday, 2008.

Path of Empire: Panama and the California Gold Rush, by Aims McGuinness, Cornell University Press, 2009.

Prize Possession: the U.S. Government and the Panama Canal 1903-1979, by John Major, Cambridge University Press, 1993.

San Francisco's Panama-Pacific International Exposition, by William Lipsky, Arcadia Publishing, 2005.

The History of Panama (The Greenwood Histories of the Modern Nations), by Robert Harding, Greenwood, 2006.

The Panama Canal: The Crisis in Historical Perspective, by Walter LaFeber, Oxford University Press, 1990.

The Sack of Panama: Captain Morgan and the Battle for the Caribbean, by Peter Earle, Thomas Dunne Books, 2007.

Fiction

Beneath a Panamanian Moon, by David Terrenoire, St. Martin's, 2005.

Conejito, a Folktale from Panama, by Margaret Read Macdonald, August House, 2006.

God's Favorite: A Novel, by Lawrence Wright, Simon & Schuster, 2007.

Panama, by Carlos Ledson Miller, BookSurge Publishing, 2007.

Panama: A Novel, by Eric Zancey, Berkeley Publishing Group, 1997.

Panama: for Those Who Remember, by Kenneth A Trader, IUniverse, 2002.

The Tailor of Panama, by John Le Carre, Ballantine Books, 1996.

Non-fiction

Divorcing the Dictator, by Frederick Kempe, GP Putnam Sons, 1990.

Getting to Know Panama, by Michele Labrut, Focus Publications, 1997.

Getting to Know the General: The Story of an Involvement, by Graham Greene, the Bodley Head, Ltd., 1984.

How Wall Street Created a Nation: JP Morgan, Teddy Roosevelt, and the Panama Canal, by Ovidio Diaz Espino, Basic Books, 2003.

Inside Panama, by Tom Barry and John Lindsay-Poland, Resource Center Press, 1995.

Living in Panama, by Sandra Snyder, TanToes SA, 2007.

Living and Investing in Panama, by Christopher Howard, Costa Rica Books, 2004.

Operation Just Cause, the Storming of Panama, by Thomas Donnelly, Margaret Roth, and Caleb Baker, Lexington, 1991.

Our Man In Panama: How Noriega Used the U.S.—and made millions in Drugs and Arms, by John Dinges, Random House, 1990.

State Crime, the Media, and the Invasion of Panama, by Christina Jacqueline Johns, P. Ward Johnson; Praeger Publishers, 1994.

The Darien Disaster, by John Prebble, Holt, Rinehart and Winston, 1969.

The Path Between the Seas: the Creation of the Panama Canal, by David McCullough, Simon & Schuster, 1978.

Travel and language

In-Flight Spanish, New York, Living Languages

Panama: the Brandt Travel Guide, by Sarah Woods, Brandt Travel Guides, 2005.

Panama—Culture Smart! A quick guide to customs and etiquette, by Heather Crowther, Kuperard, 2006.

Spanish—A Complete Course, New York, Living Languages

The Panama Cruising Guide, by Eric Bauhaus, 2007.

Magazine and journal articles on Panama

A Talk with Manuel Noriega, by Oliver Stone; The Nation, Vol. 258, January 24, 1994

On the Tapir's Tapering Trail, by Jeffrey P. Cohn; Americas (English Edition), Vol. 52, January 2000

The Frogs and the Fungus: Thanks to Dedicated Teams of International Scientists, Endangered Amphibians in the Central, Mountain Region of Panama Are Getting Help in Their Struggle against a Deadly Disease That Threatens Their Survival, by Bill Konstant; Americas (English Edition), Vol. 59, September 2007

The Palace of the Herons, Presidents & Prime Ministers, Vol. 8, January 1999

Threads of Tradition: Among the Kuna of Panama, by Mark Holston; World and I, Vol. 14, December 1999

Y2K Anxieties in Panama, by John Lindsay-Poland; NACLA Report on the Americas, Vol. 33, 1999

Newspaper articles on Panama

For U.S., Everything Must Go: Departure Will Be Windfall for Panama, by Tom Carter; The Washington Times, January 12, 1999

Ride the Rail to Mall of America, by Judy Babcock Wylie; Daily Herald (Arlington Heights, IL), October 24, 2004

Live and Invest in Panama

Why the Darien Venture Wasn't a Disaster after All; How Ill-Fated Scots Colony Proved a Blessing for Natives, The Daily Mail (London, England), May 29, 2006

Websites

Government and travel information

www.municipio.gob.pa

www.panamainfo.com

www.panama-guide.com

www.visitpanama.com

Environmental sites

www.ancon.org

www.panamaaudubon.org

www.stri.si.edu

Colón Free Zone

www.zonalibredecolon.com.pa

<u>Museums</u>

www.biomuseopanama.org

www.macpanama.org

www.panamacanalmuseum.org

www.panamaviejo.org

Regional sites

www.atp.gob.pa

www.bocasdeltoro.com

www.chiriqui.org

Live and Invest in Panama

www.chitrenet.net

www.escapetoboquete.com

www.thepanamanews.com

RESOURCES

Embassies and Consulates

- Consulate of Greece, Avenida Manuel E. Bastista, Panama City, tel. (507) 263-0932
- Consulate of Sweden, Ave Balboa and Calle Aquilino de la Guardia, Panama City, tel. (507) 264-3748
- Consulate of Switzerland, Av. Balboa, Panama City, tel. (507) 390-6330
- **Embassy of Canada**, Torre de las Americas, 11th floor, Panama City, tel. (507) 294-2500
- **Embassy of France**, Plaza de Francia, Casco Antigua, Panama City, tel. (507) 211-6200
- **Embassy of Germany**, World Trade Center, 20th floor, Panama City, tel. (507) 263-7733
- Embassy of Italy, Ave. Balboa 25, Panama City, tel. (507) 225-8948
- Embassy of Spain, Calle 33 and Avenue Peru, Panama City, tel. (507) 227-5122
- **Embassy of Panama**, 2862 McGill Terrace N.W., Washington, D.C., 20008; tel. (202) 483-1407; fax (202) 434-8413
- Embassy of United Kingdom, Calle 53, Marbella, Panama City, tel. (507) 269-0866
- Embassy of U.S., Clayton, Panama City, tel. (507) 207-7000
- Immigration and Naturalization Department, Av. Ricardo Alfaro, Panama City; tel. (507) 507-1800
- **Panamanian Consulate**, 1212 Avenue of the Americas, 6th Floor, New York, N.Y. 10036; tel. (212) 840-2450; fax (212) 840-2469

Making the move

<u>Practicalities</u>

- Cable and Wireless, tel. (507) 800-2102; website <u>www.cwpanama.com.pa</u>
- **Edemet-Edechi (Union Fenosa)** (Electric Company), P.O. Box L, Balboa, Panama City (mailing address); Albrook building 807 (building address); tel. (507) 315-7222.
- **Elektra** (Electric Company), P.O. Box 08330202, Panama City(mailing address); tel. (507) 323-7100

Health

- Centro Especializado San Fernando, via España, Panama City, tel. (507) 278-6600
- Clinica de Especialidades Medicas, Av. Justo Arosemena; Panama City; tel. (507) 225-0126
- Clinica Hospital San Fernando, Via España, Las Sabanas, Panama City; tel. (507) 305-6300
- Clinica Nacional, Clle. 38 and 39 and Ave. Cuba; Panama City; tel. (507) 207-8120
- **Dr. Enrique Chial**, Centro Commercial La Alhambra, Via Ricardo j. Alfaro, El Dorado, Panama City, tel. (507) 260-3700
- Farmacia Arrocha, Cl. Harry Eno, Panama City, tel. (507) 279-9000
- **Hospital Mae Lewis**, David, Via Interamericana, Panama City, tel. (507) 775-4616
- Hospital Nacional, Calles 38, 39, and Avenida Cuba, Panama City, tel. (507) 207-8100
- Hospital Paitilla, Avenida Balboa 53, Panama City, tel. (507) 269-5222
- **Hospital Punta Pacifica**, affiliated with the Johns Hopkins Medicine International; Punta Pacifica, Panama City; tel. (507) 204-8300

Attorneys

- Arosemena & Associates (Panama City, Corporate-Investment-Oil and Gas-General Practice International Law Firm), Cuba Ave. and 38th Street East, Los Cristales Building, Second Floor; tel. (507) 227-5567
- Arosemena, Noriega & Contreras Panama, Elvira Mendez St. No. 10, Banco Do Brasil Building, 2nd Floor, P.O. Box 0816-01560, Panama City, tel. (507) 265-3411
- BRICO Offshore Services Panama, Panama, Ocean Plaza Building, Aquilino de la Guardia Ave. & 47 Street, 16th Floor, P.O. Box 0831-00295, Panama, tel. (507) 302-8811
- Cordovez & Asociados Panama, Via Porras and Clle. 74, Panama City, tel. (507) 226-1749
- Galindo, Arias & Lopez Panama, Federico Boyd Ave. and 51st Street, Scotia Plaza, 11 Floor, Panama City, tel. (507) 303-0303
- Icaza, Gonzalez-Ruiz & Aleman, Central Ave. Don Andres Building No. 4, Boquete, tel. (507) 720-2371; Other Offices in Panama, David
- Law Offices of Rainelda Mata-Kelly (Rainelda Mata-Kelly, LLM), Suite #406-407, Torres de las Americas, Tower B 4th Floor, Punta Pacifica (building address); P.O. Box 0818-00534, Panama City, Panama (mailing address); tel. (507) 380-0606; fax (507) 264-2868; e-mail: info@mata-kelly.com or rmk@mata-kelly.com.
- **Patton, Moreno & Asvat Panama** (General Business Law), *Capital Plaza, Floor 8, Panama City, tel. (507) 306-9600*
- **Rivera, Bolívar y Castañedas Panama** (full-service legal firm), *Aquilino de la Guardia Street, Banco General Building, 9th Floor, P.O. Box 0819-08632 El Dorado, Panama City, tel. (507) 209-5900*
- Roxana Rangel & Asociados Panama (immigration, real estate, corporate, commercial & taxation law firm), 53 Marbella Street, 1st Floor, Commercial Area, World Trade Center Building, Panama City, tel. (507) 205-1985
- Sucre Arias & Reyes Panama, Calle 61 and R. Arango, Obarrio, Panama City, tel. (507) 204-7900.
- Worco & Associates Panama, El Carmen a Baja, Panama City, tel. (507) 399-0130

Real estate agents

- www.Inmobiliaria24.com
- <u>www.Encuentra24.com</u>
- **Azuero Visiting Center,** contact Michael Martinez at tel. (507) 6613-5886; website: <u>www.azuerovisitorcenter.com</u>
- Bocas del toro Realty Services, website: <u>www.bocasdeltororealty.com</u>
- Bocas Paradise, website: <u>www.bocasparadise.com</u>
- **Boquete builders**, website: <u>www.boquetelots.com</u>
- Century 21 Semusa Realty, website: www.semusarealty.com
- **Inside Panama Real Estate**, contact Mike Vuytowecz at *tel.* (507) 6756-5850; website: www.ipreinfo.com
- **New World Real Estate**, Panama City, Azuero peninsula, Santa Clara Beach, Boquete, Chiriqui, tel. 265-REAL, Panama Real estate, website: <u>www.panamarealestatepros.com</u>
- **Pro Bocas Realty**, website: <u>www.probocaspanama.com</u>

Language schools and resources

- American Academy language school, Perejil, Via España, Panama City, tel. (507) 223-7217
- **Amerispan**, 1334 Walnut St, 6th Floor, Philadelphia, PA 19107, tel. (toll-free): 800-879-6640; website: <u>www.amerispan.com</u>
- Cactus Language, tel. (toll-free) 1-888-577-8451; website: www.cactuslanguage.com
- ¡EPA! –Español en Panama, Av. Manuel Maria Icaza, Panama City, tel. (507) 391-5022; website: www.studyspanishinpanama.com
- Habla Ya Language Center, Boquete, tel. (507) 730-8344; website: www.hablayapanama.com
- **ILERI Spanish Language Center**, *Panama City, tel.* (507) 392-4086; website: <u>www.ileripanama.com</u>

- **Spanish by the River**, Boquete; website: <u>www.spanishbythesea.com</u>
- **Spanish by the Sea**, Bocas del Toro; website: <u>www.spanishbythesea.com</u>

Primary and secondary schools

- Academia Interamericana de Panama, Costa del Este, Panama City, website: www.aid.edu.pa, tel. (507) 271-0012, bilingual English and Spanish school
- **Balboa Academy**, *Av. Morse, Ciudad del Saber, Panama City, fax (507) 211-3319, tel. (507) 211-0035*, a private non-profit co-educational day school with an American college preparatory educational program from pre-kindergarten through 12th grade for students of all nationalities
- **Colegio Internacional Oxford**, Av. Federico Boyd, Panama City, tel. (507) 265-6422, fax (507) 265-7446
- Colegio Episcopal de Panama, Calle Carlos Arias, Nvo. Reparto, El Carmen, Panama City, tel. (507) 223-4836
- Colegio Europeo Panama, Calle 74 A-E, San Francisco, Panama City, tel. (507) 270-1187, kindergarten and primary grades with German, Spanish, and English classes
- Colegio Internacional Saint George de Panama, Via Nuevo Club de Golf, Panama City, tel. (507) 220-4585, bilingual programs for pre-school, primary, secondary
- Colegio Internacional SEK, Nuevo Club de Golf, Panama City, tel. (507) 220-9718
- Colegio Isaac Rabin, Clayton Edif. 156, Panama City, tel. (507) 317-0060, fax (507) 317-0058
- Colegio Javier, Calle 4 Perejil, Panama City, tel. (507) 269-4222/269-4040/269-4973
- Colegio Parroquial San Judas Tadeo, Cl C, Juan Diaz Jardin Olimpico, Panama City, tel. (507) 233-3667
- Colegio Real de Panama, Altos de Panama, Panama City, tel. (507) 230-3349
- **Colegio San Augustin**, Costa del Este, Avenida San Augustin, Panama City, tel. (507) 271-4590
- Crossroads Christian Academy, Omar Torrijos Herrera Ave., Cardenas, Panama City, tel. (507) 317-9774

- Lincoln Academy, Calle Alberto Navarro, El Cangrejo, Panama City, tel. (507) 223-4563
- Rincon Infantil Montessori, Calle 70, San Francisco, casa #84, Panama City, tel. (507) 226-1651

National and international universities

- Columbus University, Av. Ramon Arias, Panama City, tel. (507) 263-3893; website: www.columbus.edu;
- **Florida State University Panama**, Cl La Boca Balboa, Panama City, tel. (507) 314-0367; website: http://panama.fsu.edu
- **Universidad de Panama**, Via Simon Bolivar, Panama City, tel. (507) 523-5600; website: www.up.ac.pa;
- **Universidad del Istmo**, Av. Justo Arosemena y Mexico, Panama City, Tel. (507) 227-8822, website: <u>www.udi.edu</u>;
- **Universidad Interamericana de Panama**, Edificio Ocean Business Plaza, Marbella, Panama City, tel. (507) 208-4444; website: <u>www.uip.edu.pa</u>;
- **Universidad Latina de Panama,** Via Ricardo J Alfaro, Panama City, tel. (507) 230-8600; website: www.ulat.ac.pa;
- Universidad Latinoamericana de Ciencia y Tecnologia, Via España y Cl.74 Carrasquillas, Panama City, tel. (507) 224-0326; website: www.ulacit.ac.pa;
- Universidad Santa Maria La Antigua, Via Ricardo J. Alfaro, Panama City, tel. (507) 230-8299; website: http://usmapanama.com;
- **Universidad Technologica de Panama**, Via Ricardo Alfaro, Panama City, tel. (507) 290-8416, website: www.utp.ac.pa.

Phone companies

- Cable & Wireless (C&W); website: <u>www.cwmovil.com/movil/index.asp</u>
- Cable Onda, tel. (507) 390-7555; website: www.cableonda.com
- **ClaroCom**, tel. (507) 294-1818; website: www.clarocom.com

- **Digicel**, tel. (507) 306-0600; website: <u>www.digicelpanama.com</u>
- Movistar, tel. (507) 378-7000; website: www.movistar.com.pa

Media

Radio stations

- La Mega
- Los 40 Principales
- Marbella Estereo
- Omega Stereo
- Radio 10
- RPC Radio
- Super Q
- WAO 97.5

TV stations

- FE TV Canal 5
- RPC TV
- Telemetro Panama
- TV Nacional Canal 2

Daily newspapers and magazines

- Noticias de Chiriqui; website: <u>www.noticiasdechiriqui.com</u>
- El Dia a Dia—with economy and general information; website: www.diaadia.com.pa
- El Panama America; website: <u>www.pa-digital.com.pa/periodico/edicion-actual/index.php</u>
- El Siglo—Panama City; website: www.elsiglo.com
- Entérate Panama—for nightlife and culture; website: www.enterate.com.pa

Live and Invest in Panama

- *Hoy; website:* <u>www.hoyenpanama.com</u>
- La Crítica; website: <u>www.critica.com.pa</u>
- La Estrella de Panamá; website: <u>www.laestrella.com.pa/online/inicio.asp</u>
- La Prensa; website: <u>www.prensa.com</u>
- Panama Capital Financiero; website: <u>www.capitalfinancieropanama.com</u>
- *The Bocas Breeze*—a newspaper with resources and articles about living in, moving to, or visiting Bocas del Toro; *website: www.thebocasbreeze.com*

Internet-based news media

- Panama Guide, <u>www.panama-guide.com</u>
- Panama News, <u>www.thepanamanews.com</u>
- Topix, <u>www.Topix.net/world/panama</u>

Travel and transportation

- **Ancon Expeditions**, Clle Elvira Mendez, Panama City, tel. (507) 269-9415, website: www.anconexpeditions.com
- ATP (Tourism Authority of Panama), Instituto Panameño de Turismo, Apartado 4421, Centro de Convenciones ATLAPA; Vía Israel, Panama City, Republic of Panama; tel. (507) 526-7000; website: www.atp.gob.pa
- **Barcos Calypso**, Clle. 72, San Francisco, Panama City, tel. (507) 390-2402, for ocean trips
- **Bicicletas Rali**, Via España, Panama City, tel. (507) 263-4136 for bicycle purchases and information
- Canal and Bay Tours, tel. (507) 209-2009, website: <u>www.canalandbaytours.com</u>
- **Panama Audubon Society**, tel. (507) 232-5977, website: <u>www.panamaaudubon.org</u>
- **Panama Jet Boat Explorer**, tel. (507) 720-4054, website: <u>www.panamajetboatexplorer.com</u>

• **MV Coral Star**, 866-924-2837 in U.S., website: <u>www.coralstar.com</u> for trips to Coiba

Scuba diving

- **Aventuras Panama**, tel. (507) 260-0044; offers rafting and kayaking training.
- **Bocas Water Sports**, tel. (507) 757-9541, website: <u>www.bocaswatersports.com</u>
- **Chiriqui river rafting,** tel. (507) 720-1505, website: <u>www.panama-rafting.com</u>
- Coiba Adventure, tel. 1-800-800-0907, website: www.coibaadventure.com
- **Dutch Pirate**, tel. (507) 6567-1812, website: www.thedutchpirate.com
- Panama Canal fishing, tel. (507) 6678-2653, website: <u>www.panamacanalfishing.com</u>
- **Panama surf tours**, website: <u>www.panamasurftours.com</u>
- Scubapanama, tel. (507) 261-3841, website: www.scubapanama.com

<u>Internet resources</u>

www.acobir.com

www.atp.gob.pa

www.bocasrealestate.com

www.businesspanama.com

www.escapetoboquete.com

www.internationalliving.com

www.liveinpanama.com

www.movetopanama.com

www.panamainfo.com

www.panamarealtor.com

www.PanamaSocialCalendar.com

www.Visitpanama.com

Finance and banking

- **Banco General**, Calle Aquilino de la Guardia, Panama City; tel. (507) 303-5001; website: <u>www.bgeneral.com</u>
- **Banking Association of Panama**, P.O. Box 4554, Zona 5, Panama City; tel. (507) 263-7044; website: <u>www.asociacionbancaria.com</u>
- **Caja de Ahorros**, Via España, in front of Felix Maduro, Panama City, tel. (507) 508-1000; website: <u>www.cajadeahorros.com.pa</u>
- **Citibank**, Punta Pacifica, Torre de las Americas, , Panama City; tel. (507) 210-5900; website: www.latinamerica.citibank.com/panama/homepage.html
- **CrediCorp Bank**, Via España, Panama City, tel. (507) 210-1111; website: <u>www.credicorpbank.com/portalweb</u>
- **First American Title Insurance Company**, 1-800-854-3643 in the U.S.; website: <u>www.firstam.com</u>
- **Global Bank**, Global Tower, 50th Street, Panama City; tel. (507) 236-3964; website: www.globalbank.com.pa
- **HSBC Bank**, Aquilino de la Guardia Street, Panama City; tel. (507) 306-4700, website: www.hsbc.com.pa
- **MultiBank**, Via España, Panama City, tel. (507) 294-3500; website: <u>www.multibank.com.pa</u>
- **National Bank of Panama** (Banco Nacional de Panama), Via España, Panama City, Apartado 0816-05220; tel. (507) 505-2000; website: www.banconal.com.pa
- **Scotia Bank**, Ave Federico Boyd, Edificio Scotia Plaza, Panama City, tel. (507) 208-7700; website: www.scotiabank.com/cda/content/0,1608,CID12_LIDen,00.html
- **Trust Services S.A.** (Derek R. Sambrook), *Balboa Plaza Building, Office 522, Balboa Avenue, Panama City, tel. (507) 269-2438 or (507) 263-5252; fax 269-4922; e-mail:*<u>marketing@trustserv.com</u>; website: <u>www.trustserv.com</u>

Business

- American Chamber of Commerce and Industry of Panama, P.O. Box 0843-00152, Panama; tel. (507) 301-3881; fax (507) 301-3882.
- Certified Public Accountants Association of Panama, Unicentro Building, 42nd Street, Bella Vista, Panama City; tel. (507) 227-0007
- Colón Free Zone Users Association, Clle 28, Local 10-11, Edificio 46, Colón Free Zone (building address); tel. (507) 441-4244; fax (507) 441-4347
- **KPMG**, *Clle. 50*; *tel. (507) 208-0700*; *fax 263-9852*, *website* <u>www.kpmg.com.pa</u>. For help with just about any topic related to doing business in Panama.
- National Association for the Conservation of Nature, Quarry Heights 153, Panama City, tel. (507) 314-0056;
- National Association of Cattlemen (ANAGAN), Urbanizacion Los Llanos de Curundu, Panama City; tel. (507) 232-7327
- **Panama Industrialists Union**, P.O. Box 64798, El Dorado (mailing address); Ricardo J. Alfaro Avenue, Panama City; tel. 230-0169; fax 230-0805
- Panamanian Business Executives Association, Clle 42 and Ave. Balboa, Panama City; tel. (507) 227-3511; fax (507) 227-1872
- **Panamanian Construction Chamber**, 19 Aquilino de la Guardia Street, Panama City; tel. (507) 265-2569; fax (507) 213-0471
- **Panamanian Credit Association**, Clle 50, Panama City, Panama; tel. (507) 215-7002; fax (507) 215-7023;
- Panamanian Engineers and Architects, Manuel Espinosa Batista Avenue, Panama City; tel. (507) 269-7735;
- Panama Exporters Association, Ricardo J. Alfaro Avenue, Panama City; tel. 230-0169; fax (507) 230-0260
- Panamanian Insurance Company Association, Clle Venezuela 46-113, Panama City; tel. (507) 225-9475; fax (507) 225-8259
- **Panama Maritime Chamber**, Clle Miguel Brostella, Panama City; tel. (507) 360-2166;

- **U.S.-Panama Business Council (U.S.)**, 5353 Memorial Drive, Suite 2041, Houston, TX 77007; tel. 713-426-0554; fax 713-426-0375; e-mail: Panamerica@msn.cpm; website www.uspanama.webs.com.
- **U.S.-Panama Business Council (Panama**), Ocean Business Plaza, Suite 1709, Ave. Aquilino de la Guardia, Panama City, Panama; tel. (507) 264-9024; e-mail: <u>uspa.panama@gmail.com</u>.

Expat contacts in Panama

- American Chamber of Commerce and Industry of Panama, P.O. Box 0843-00152, Panama; tel. (507) 301-3881; fax (507) 301-3882.
- The American Society of Panama, e-mail: info@amsoc.org; website www.amsoc.org. This group is a non-profit, charitable organization. Membership is comprised of U.S. and Panamanian businesses, retirees, U.S. Embassy personnel, and Panama Canal Authority personnel.
- **U.S.-Panama Business Council (Panama**), Ocean Business Plaza, Suite 1709, Ave. Aquilino de la Guardia, Panama City, Panama; tel. (507) 264-9024; e-mail: <u>uspa.panama@gmail.com</u>.
- **U.S.-Panama Business Council (U.S.)**, 5353 Memorial Drive, Suite 2041, Houston, TX 77007; tel. 713-426-0554; fax 713-426-0375; e-mail: Panamerica@msn.cpm; website www.uspanama.webs.com.

Other useful contacts

- Colón Free Zone Administration, P.O. Box 1118, Colón Free Zone (mailing address); tel.(507) 475-9500.
- **Comptroller General of the Republic**, Ave. Balboa and Federico Boyd, Panama City; tel. (507) 510-4777.
- **Ditcher and Neira**, Avenida Ricardo Alfaro, Edificio Century Tower, Panama City; tel. (507) 236-4000; website: www.dichter-neira.com.
- **Ministry of Agriculture Development,** Clle Principal, Curundu, Panama City (building address); tel. (507) 507-0600; fax (507) 507-0642; website: www.mida.gob.pa

- **Ministry of Commerce and Industry**, Edificio Plaza Edison, 2nd and 4th floor, Panama City, tel. (507) 560-0600; fax (507) 560-0663. <u>www.mici.gob.pa</u>
- **Ministry of Education**, P.O. Box 2440, Zona 3, Panama (mailing address); tel. (507) 511-4400; fax (507) 517-6004; website: www.meduca.gob.pa
- **Ministry of Finance and Treasury**, P.O. Box 7304, Zona 5; Panama (mailing address); tel. (507) 507-7000; fax (507) 507-7045; website: <u>www.mef.gob.pa</u>
- **Ministry of Foreign Relations,** Ancon, Panama City; tel. (507) 511-4100; website: <u>www.mire.gob.pa</u>
- **Ministry of Labor and Social Welfare**, Edificio Edison Plaza, Ave. Ricardo Alfaro, Panama City; tel. (507) 560-1100; fax (507) 560-1153; website: <u>www.mitradel.gob.pa</u>
- **Ministry of Public Works**, Curundu, Edificio Principal 1019, Panama City; tel. (507) 507-9400; fax (507) 507-9418; website: www.mop.gob.pa
- National Institute for Aqueducts and Sewage, Via Brasil, Panama City; tel. (507) 523-8656; website: www.idaan.gob.pa.
- **National Legislative Assembly**, *Plaza 5 de Mayo*, *Panama City; tel. (507) 512-8300;* fax (507) 512-5165; website: <u>www.asamblea.gob.pa</u>.
- **Panama Canal Authority**, Balboa, Ancon, Panama City; tel. (507) 272-1111; website: www.pancanal.com.
- **Panama Stock Exchange**, Edificio Bolsa de Valores Panama, Ave. Federico Boyd and Clle 49, Panama City; tel. (507) 269-1966; fax (507) 269-2457; website: www.panabolsa.com.
- **Public Registry**, Clle 67-A Via España, Panama City; tel. (507) 501-6000; website: <u>www.registro-publico.gob.pa</u>
- **Social Security Administration**, Via Simon Bolivar-Transistmica, Edificio Bolivar, Panama City; tel. (507) 503-2000; website: www.css.org.pa
- **Superintendency of Banks**, Ave. Samuel Lewis, Panama City; tel. (507) 506-7800; website: www.superbancos.gob.pa/home.eng.asp.
- **Transportation Authority**, El Cruce de Juan Diaz, Panama City; tel. (507) 502-0547; website: www.transito.gob.pa